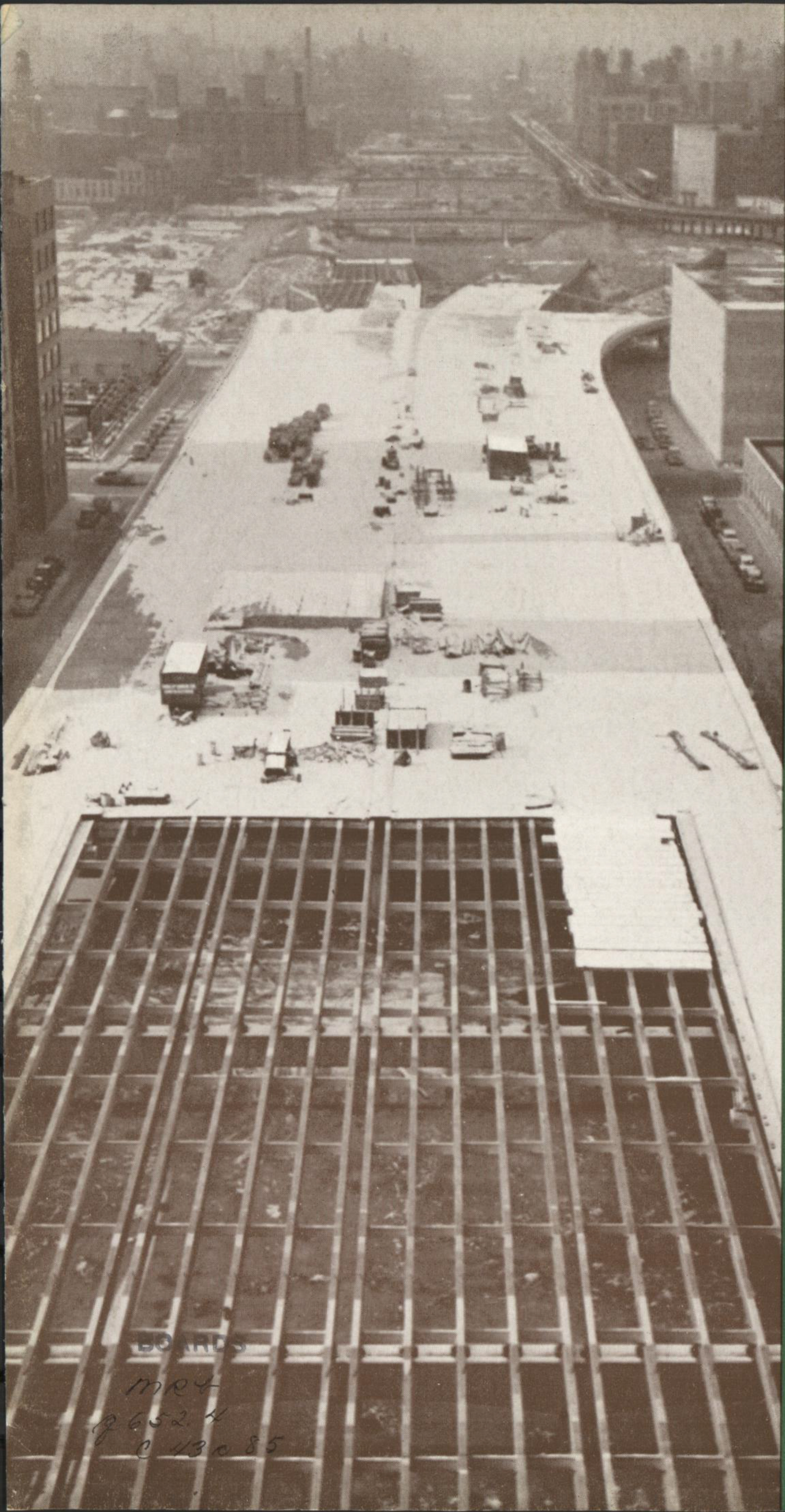

NINTH
ANNUAL
REPORT
1953

Chicago Transit Board

OF THE
CHICAGO
TRANSIT
AUTHORITY

BOARDS
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Cover—Congress Street Superhighway,
Looking west from Chicago Post Office in
Area under which new Subway will be located.

CHICAGO TRANSIT AUTHORITY

Ninth Annual Report

OF CHICAGO TRANSIT BOARD

for the Fiscal Year ended December 31, 1953

MEMBERS OF THE BOARD
and Date Term Expires

Ralph Budd, *Chairman*	September 1, 1952*—M
Guy A. Richardson, *Vice Chairman*	September 1, 1954 —G
Philip W. Collins	September 1, 1955 —G
John S. Miller	September 1, 1956 —G
James R. Quinn	September 1, 1957 —M
John Holmes	September 1, 1958 —M
William W. McKenna, *Secretary*	September 1, 1960 —M

**Continues to serve until a successor has been appointed and has qualified*
M—*Appointed by the Mayor of the City of Chicago.*
G—*Appointed by the Governor of the State of Illinois.*

Walter J. McCarter, *General Manager*, Thomas C. Strachan, Jr., *General Attorney*

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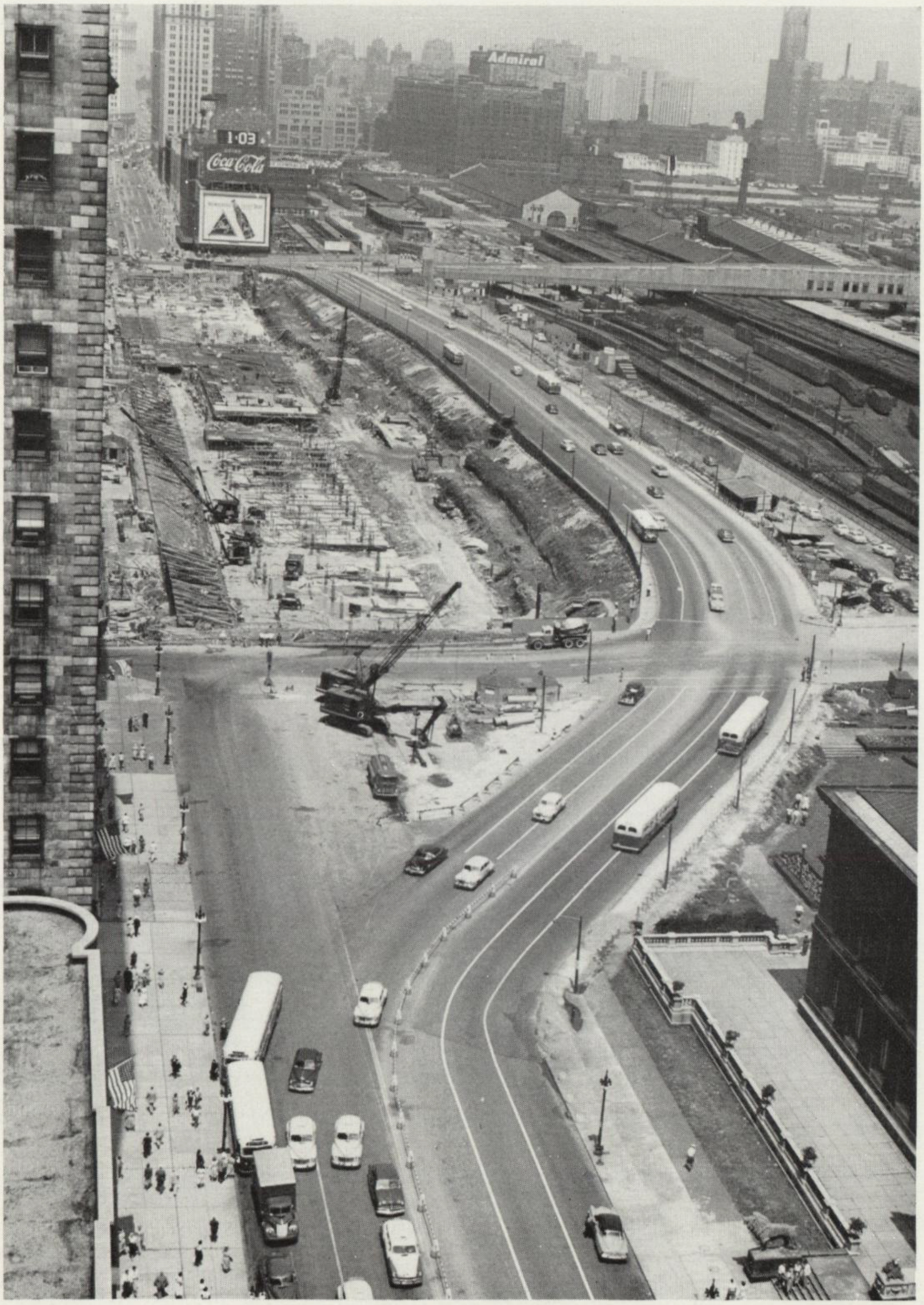

1:03
Coca-Cola
Admiral

Underground Garage in Michigan Avenue Constructed for 2350 Automobiles by Chicago Park District.

1953 in Brief

Gross revenues in 1953 were $124,103,962 or $6,981,395 over the 1952 gross. The past year was the first full year with the operations of the boulevard system included. It was included in only the last three months in 1952. The revenues in 1953 were sufficient to provide $1,216,714 for the Revenue Bond Amortization Fund and $82,690 for the Operating Expense Reserve, after meeting all fixed obligations.

Payments of taxes and other items, to the State of Illinois, City of Chicago and Chicago Park Districts were $2,899,472 including $1,269,923 for motor fuel tax to the State of Illinois.

On October 1, 1953, the Authority issued $7,000,000 principal amount of 4½% Series of 1953 Revenue Bonds maturing July 1, 1982 to pay for that portion of the branch of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company between Montrose Avenue in Chicago and Linden Avenue in Wilmette, which had formerly been leased by the Authority.

Substitution of buses for streetcar lines continues. Revenue streetcar track in operation decreased from 358 miles at December 31, 1952 to 276 miles at December 31, 1953. Bus lines in operation increased from 1543 to 1581 single way miles.

Of 400 propane fueled motor buses on order, 124 had been delivered by December 31, 1953. The remainder of this order and the order for 250 rapid transit cars will be delivered in 1954.

Rates of fare for adults remained unchanged except for the establishment of five 10c shuttle bus routes in the downtown area. This was made coincident with the discontinuing of certain special commutation tickets for users of suburban railroads. The child fare and student fare was changed from 10c or 5/40c to 10c straight, but use privileges for students were extended by making the 10c fare available to all students, on proper identification, at all hours during the school year.

New Wage Agreements provided for by arbitration effective June 1, 1953 for most employes, provided for discontinuing the cost-of-living allowance (then 4 cents) and increasing basic wage rates 8 cents an hour with additional increases totaling 8 cents to be introduced gradually to January 1, 1955.

The purchase of a portion of the fixed transportation facilities of Chicago, Aurora and Elgin Railway Company for $1,000,000 (payable over the next six years) was arranged in 1953 (and completed early in 1954) as a step in the establishment of future rapid transit rail service in that portion of the Congress Street Superhighway right-of-way from Laramie Avenue in Chicago to Des Plaines Avenue in Forest Park.

The Chicago, Aurora and Elgin Railway Company, on September 20, 1953, discontinued operating to the downtown Chicago loop and began using the newly constructed loop at Des Plaines Avenue, Forest Park, as its eastern terminal. At this time the Authority's Garfield Park rapid transit service began operation on the Van Buren Street temporary surface track adjacent to the Congress Street Superhighway.

As of December 31, 1953, the total expenditures since April 1945 for modernization, of the transit system amounted to $80,009,822 including $60,090,193 for passenger equipment. These represent permanent improvements on the properties of the former Chicago Rapid Transit Company and Chicago Surface Lines.

The 1954 plans include some $25,000,000 for modernization of which $15,000,000 is for new passenger equipment. The budget also contemplates construction of transportation and service buildings at the Elston and Armstrong garage site in the northwest section of the City, representing an expenditure of approximately $2,500,000.

Financial Position and Results of Operations

Financial Statements

The financial position of the Authority at December 31, 1953 and 1952, the results of its operations and fund transactions for the year ended December 31, 1953 are set forth in the balance sheets as of December 31, 1953 and 1952, and the related statements of income, of funds and application of revenues included in this report. These statements have been certified by Arthur Andersen & Co., the Authority's independent public accountants.

Results of Operations

Revenues and their application in the order of precedence set forth in the Trust Agreement securing the Authority's Revenue Bonds are compared for the years 1953 and 1952 in the following summary. Operations for the year 1952 include those of the boulevard system for only three months after its acquisition on October 1, 1952 from Chicago Motor Coach Company:

	1953	1952
Revenues	$124,103,962	$117,122,567
Operation and maintenance expenses	106,296,905	100,716,140
	17,807,057	16,406,427
Debt service requirements	6,579,336	5,388,314
Balance before depreciation	11,227,721	11,018,113
Provision for depreciation	9,928,317	9,431,583
Balance available for other charges	1,299,404	1,586,530
Other charges—		
Revenue Bond Amortization Fund	1,216,714	300,000
Operating Expense Reserve Fund	82,690	900,000
Available for Municipal Compensation	—	386,530
	$ 1,299,404	$ 1,586,530

Disposition of Revenues

Revenues for the year 1953 were adequate to meet all operation and maintenance costs, debt service requirements, the full provision for depreciation and to make maximum annual deposits to the Revenue Bond Amortization Funds; in addition there remained $82,690 for deposit in the Operating Expense Reserve Fund.

Although revenues remaining after operation and maintenance expenses were $1,400,630 greater in 1953 than in 1952, debt service and depreciation requirements increased, the provision to the 1952 Revenue Bond Amortization Fund was operative for the entire year as compared with only three months in 1952 and that of the 1953 Revenue Bond Amortization Fund was added on October 1, 1953 so that there remained only $82,690 for deposit in the Operating Expense Reserve Fund whereas in 1952 there had remained sufficient revenues to make the full $900,000 provision to that fund and to leave, in addition, $386,530 available for municipal compensation, which latter amount was offset by credits available to the Authority under the franchise ordinance and agreements relating to the construction of the Congress Street Superhighway.

Changes in Revenues

Gross revenues for the year 1953 increased $6,981,395 over 1952. Most of this increase was attributable to the fact that the present fare structure was in effect during the entire year 1953 and the operations of the boulevard system were also included for the entire year whereas in 1952 the present fare structure was effective only for seven months beginning June 1 and the boulevard system was not acquired from Chicago Motor Coach Company until October 1. The effect of these changes on the gross revenues of the Authority is shown in the comparison below:

	1953	1952	1953 Increase (Decrease) from 1952
Five months ended May 31	$52,358,771	$47,471,185	$4,887,586
Four months—June through September	40,720,387	37,070,169	3,650,218
Three months—October through December	31,024,804	32,581,213	(1,556,409)
Total revenues	$124,103,962	$117,122,567	$6,981,395

The comparative results of the last period shown above, with primarily the same fare schedule in effect and both including the operations of the boulevard system, reflect primarily the effect of the continuing downward trend in riding which is being experienced by the transit industry everywhere.

Approximately $44,000 of the decline in revenues experienced in the last quarter of 1953 arose from experimental "Shopping" fares of 10c for all rides originating between 9:30 A.M. and 1:30 P.M. which were tested on each of the four Tuesdays in November 1953. A modification of student rates was made in September 1953 which consisted of substituting a 10c fare available at all times of the day on all days of the week during the school year, to bearers of a "Student Identification Card" for the rates of 10c cash or the 5 for 40c tickets which had been available only during school hours to students upon proper identification. Also Policemen may now ride free whether in or out of uniform, as provided by legislation amending the Enabling Act.

The change in operation of the Garfield Park Branch line of the rapid transit system beginning September 20, 1953, when trains started operating at ground level in Van Buren Street also had some effect on revenues.

Revenue Rides and Revenue Classes

The number of revenue passenger rides on the Authority's lines and the revenues received from all sources during the years 1953 and 1952 are summarized below:

	1953	1952	Per Cent Increase (Decrease)
Revenue Passenger Rides—			
Surface System*	574,821,563	545,332,228	5.41%
Rapid Transit System	140,657,831	146,899,814	(4.25)
Total	715,479,394	692,232,042	3.36%
Revenues—			
Passenger—			
Surface System*	$100,318,768	$ 93,843,953	6.89%
Rapid Transit System	21,171,184	21,119,392	.25
	121,489,952	114,963,345	5.68
Chartered service	240,337	95,011	152.95
	121,730,289	115,058,356	5.80
Station and car privileges	1,139,181	1,070,890	6.38
Rent of tracks and facilities	524,523	567,457	(7.57)
Rent of buildings and other property	308,324	301,816	2.16
Miscellaneous	401,645	124,048	223.78
Total Revenues	$124,103,962	$117,122,567	5.96%

*Includes the boulevard system acquired on October 1, 1952 from Chicago Motor Coach Company.

Chartered service revenues increased substantially in 1953 as a result of the reorganization of this activity in September 1951 and the addition of the boulevard system in October 1952. This service has been substantially limited to non-rush hours because of the shortage of bus operators and the limited number of buses available.

Details of income from station and car privileges are shown below:

	1953	1952
Card and poster advertising in and on passenger equipment and Rapid Transit stations	$ 912,618	$ 807,449
Concessions	141,100	151,111
Vending machines	75,603	92,380
Parcel lockers	5,707	5,769
Transfer advertising	3,411	11,248
Miscellaneous	742	2,933
	$1,139,181	$1,070,890

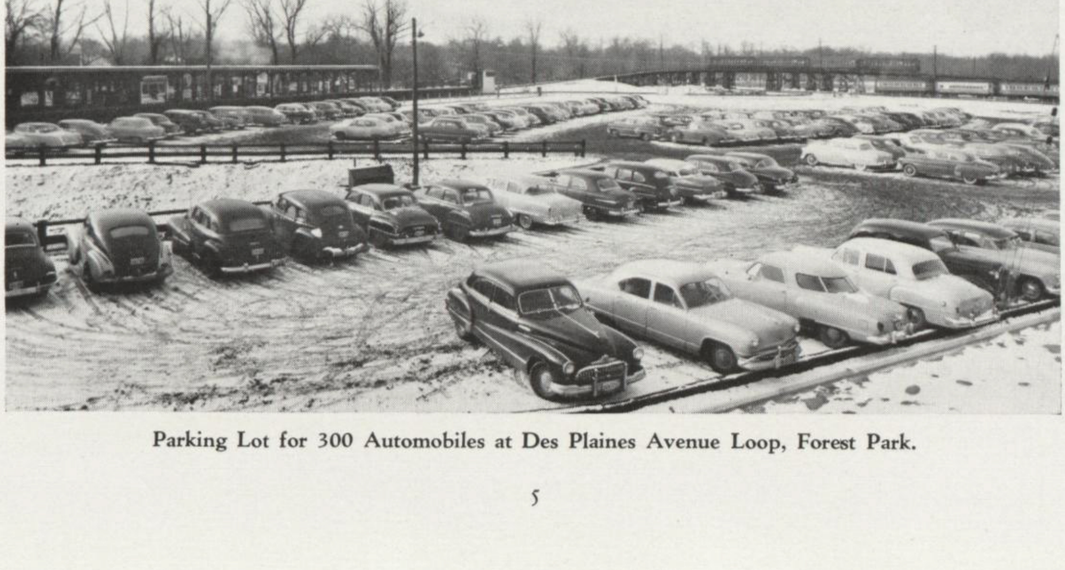
The increase in 1953 card and poster advertising arose primarily from including the income from boulevard system equipment for the entire year while it was included for only three months in 1952 (after the Authority acquired the properties of Chicago Motor Coach Company on October 1, 1952). A new contract for the handling of the Authority's card and poster advertising facilities was entered into with Chicago Car Advertising Company effective January 1, 1954, for a period of five years.

Miscellaneous revenues represent primarily interest earned by funds of the Authority invested in U. S. Government securities; the additional earnings during 1953 arose from the investment of proceeds of Equipment Trust Certificates which were held pending delivery of new equipment.

Elements of Operating Costs

A comparison of the principal elements of operating costs for the years 1953 and 1952 is presented below:

	1953	1952	Per Cent Increase (Decrease)
Wages and salaries	$ 71,832,267	$ 68,730,399	4.51
Pension contributions	4,494,558	3,520,992	27.65
Federal insurance contributions	902,042	907,605	(.61)
Employes insurance	631,579	581,360	8.64
Total labor costs	77,860,446	73,740,356	5.59
Electric power purchased	5,863,803	5,956,402	(1.56)
Motor fuel consumed	3,705,248	2,814,152	31.66
Operating materials and supplies	5,712,132	5,718,906	(.12)
Provision for injuries and damages	6,816,174	5,856,128	16.39
Miscellaneous services, supplies, etc.	6,339,102	6,630,196	(4.39)
Total operation and maintenance expenses	$106,296,905	$100,716,140	5.54



Parking Lot for 300 Automobiles at Des Plaines Avenue Loop, Forest Park.

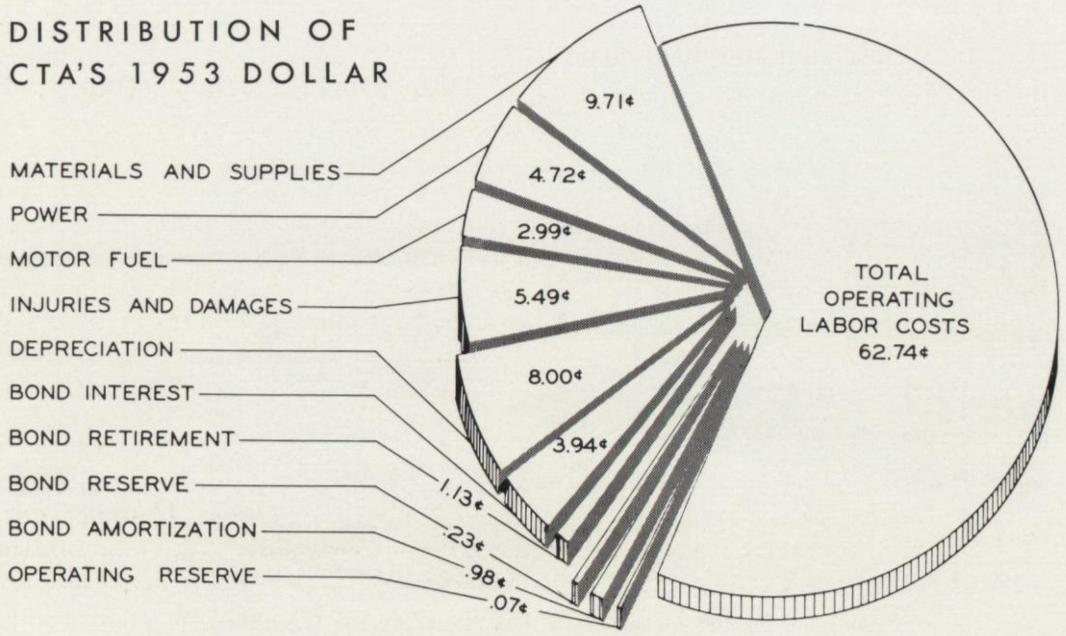
Distribution of CTA's 1953 Dollar
Comments on Cost Elements

Wage and salary cost increases in 1953 reflected increases in wage rates and also labor costs of the operations of the boulevard system for the entire year, while such operations had been included for only the last three months in 1952. The dual effect of these was blunted somewhat by the reduction in the number of employes from 17,509 at the end of 1952 to 16,845 at the end of 1953. Part of the decrease in personnel in the Transportation Department, was due to the inability to hire replacements for employes retiring, dying or quitting, and caused a continuance of payments for overtime which had been necessary in previous years for the same reason. Changes in the hourly wage rates of one-man operators are shown below as typical of the wage changes arising during 1953:

	Base Rate	Cost-of-Living Allowance	Total
In effect January 1, 1953	$1.84	$0.07	$1.91
January 4, 1953	—	–0.01	1.90
April 5, 1953	—	–0.02	1.88
June 1, 1953	0.08	–0.04	1.92
In effect December 31, 1953	$1.92	0.00	$1.92

Modifications in the cost-of-living allowance during the early part of the year were in accordance with the terms of wage agreements which had been in effect since 1951. Amendments in these agreements, to be effective June 1, 1953, were requested by the unions representing the majority of the Authority's employes. These demands and the

DISTRIBUTION OF CTA'S 1953 DOLLAR



Authority's counter-proposals were submitted to a Board of Arbitration which made an award providing for the following principal changes in existing wage agreements:

1. Terminated the cost-of-living allowance provided by previous agreements.
2. Increased wage rates on the following hourly bases:

June 1, 1953	8c
January 1, 1954	2c
June 1, 1954	4c
January 1, 1955	2c
	16c

3. Increased employes' life insurance coverage (the premium for which is paid by the Authority) from $1,250 to $1,500.
4. Increased sickness and accident payments (for which insurance is provided at the Authority's expense) $5.00 per week, from $20.00 to $25.00.

The Board of Arbitration made its award effective until June 1, 1955 but retained jurisdiction to determine at that date whether the provisions of its award shall be extended to December 31, 1955.

Other factors contributing to fluctuations in operation and maintenance expenses are summarized below:

Pension contributions were increased 1% from 5% to 6% of payroll on January 1, 1953 in accordance with the pension agreement entered into June 1, 1952. The rate of the Authority's contribution will increase an additional 1% on January 1, 1955 under the terms of the same agreement. Increased earnings by employes due to wage rate increases also contributed to the increase in pension contributions.

Federal insurance contributions decreased slightly during 1953 because of the decrease in number of employes from 17,509 on January 1, to 16,845 on December 31, 1953. These costs will increase in 1954 because of a ½% increase on January 1, 1954 in the Authority's contribution rate, from 2% to 2½%.

Cost of motor fuel consumed increased primarily as a result of a 1-cent increase on January 1, 1953 in the State of Illinois tax on these fuels, from 4c to 5c per gallon. Part of the increased cost of motor fuels, offset by a decrease in cost of electric power purchased, arose from the conversion of streetcar lines to motor buses and the use of propane buses during week-ends on lines which are operated with streetcars on week days. This practice is expected to continue until sufficient new motor buses are received from those now on order to permit converting many of these lines to permanent motor bus routes.

Operating materials and supplies costs showed a slight decrease in spite of increased unit costs as the result of a reclamation of parts program launched during 1953 by the Authority's Shops and Equipment Department. Also contributing to this decrease was a revision in shop maintenance practices which permitted a reduction in labor forces and a consequent reduction in use of material.

The increase in the provision for injuries and damages in 1953 was attributable to (1) the increase in gross revenues, on which such provision is based, and (2) an increase of 1% in the rate of provision, from 5% to 6%, which was authorized by Chicago Transit Board effective July 1, 1953 because of increased costs of settling claims and suits.

Payments to State of Illinois, City of Chicago, and Chicago Park District

Payments by the Authority of taxes and other items to the State of Illinois, City of Chicago, and Chicago Park District increased $343,448 in 1953, as shown below:

		1953	1952
State of Illinois	Fuel Tax—Gasoline, diesel and propane fuel for revenue buses, passenger autos, trucks and shops. Charged to "Motor Fuel Consumed"	$1,269,923	$ 877,435
State of Illinois	License fees covering buses, trucks, trailers, autos and chauffeurs. Charged to "Miscellaneous Services and Supplies, etc."	5,794	5,465
State of Illinois and City of Chicago	Revenue tax charge collected from Authority by Commonwealth Edison Company and paid to		
	State of Illinois — 3%	164,250	180,834
	City of Chicago — 4%	218,999	241,112
	Charged to "Electric Power Purchased".		
City of Chicago	For a portion of City's cost of repaving streets on which tracks have been abandoned. Charged to "Depreciation Reserve".	530,804	369,196
City of Chicago	State Street Subway facilities	137,362	137,362
	Dearborn Street Subway facilities	153,974	153,974
	Charged to "Miscellaneous Services and Supplies, etc."		
City of Chicago	License fees covering buses, trolley coaches, autos, trucks, trailers and flammable liquids. Charged to "Miscellaneous Services and Supplies, etc."	218,366	191,955
City of Chicago	Balance available for Municipal Compensation — offset by credits under the franchise and agreements pertaining to Congress Street Superhighway construction	—	386,530
Chicago Park District	Payment for wear and tear of boulevards arising from operation of the Authority's buses. Charged to "Miscellaneous Services and Supplies, etc."	200,000	59,338
	Total Payments During Year	$2,899,472	$2,603,201

* * *

City of Chicago	Liability for repaving streets on which tracks have been abandoned but which have not yet been repaved	$1,516,166	$1,562,166

Debt Service Requirements

The issuance of additional series of Revenue Bonds on October 1, 1952 and 1953 and an increase in the amount deposited in the Series of 1947 Serial Bond Maturity Fund contributed to the increase in debt service requirements as shown below:

	1953	1952
Interest charges—		
Series of 1947	$3,780,312	$3,816,250
Series of 1952	1,030,274	258,750
Series of 1953	78,750	—
	$4,889,336	$4,075,000
Series of 1947 Serial Bond Maturity Fund	$1,400,000	$ 500,000
Revenue Bond Reserves—		
Series of 1947	—	767,314
Series of 1952	276,000	46,000
Series of 1953	14,000	—
	$6,579,336	$5,388,314

The Series of 1953 Revenue Bonds were issued on October 1, 1953 to provide for the purchase from Chicago, Milwaukee, St. Paul and Pacific Railroad Company of certain right-of-way which had previously been leased by the Authority.

Operations of Revenue Bond Amortization Fund

In accordance with the Supplemental Trust Agreements covering the Series of 1952 and 1953 Revenue Bonds, dated October 1, 1952 and 1953, respectively, the Authority deposited $1,216,713.50 in the Revenue Bond Amortization Fund during 1953 for the

TROUBLE LINE
FOLLOW UP LINE
INSPECTION LINE
INSPECTION LINE

Typical Service Stations at CTA Bus Garages.

accelerated retirement of its Revenue Bonds the portion applicable to the last quarter of 1953 was deposited and applied towards the retirement of bonds during the first quarter of 1954. Together with $300,000 earned in 1952 but deposited and applied to the retirement of Revenue Bonds in 1953, the operations of the Revenue Bond Amortization Funds are summarized below:

Revenue Bonds Purchased and Retired

	During 1953		During 1954		Total	
Series	Principal Amount	Cost	Principal Amount	Cost	Principal Amount	Cost
1947	$1,094,000	$ 983,004	$274,000	$246,470	$1,368,000	$1,229,474
1952	219,000	215,872	55,000	54,605	274,000	270,477
1953	—	—	16,000	16,400	16,000	16,400
	$1,313,000	$1,198,876	$345,000	$137,475	$1,658,000	$1,516,351

Balance Sheet Comments

The balance sheet of the Authority at December 31, 1953 compared with December 31, 1952 is included in the financial statements attached to this report.

The net increase of $8,370,890 during 1953 in Transportation Property of the Authority is set forth in detail in the Statement of Transportation Property attached to this report. One of the principal additions during the year represented the purchase from the Chicago, Milwaukee, St. Paul and Pacific Railroad Company on October 1, 1953 for $7,000,000 of certain track and right-of-way.

Other additions to property included the purchase of new vehicles, financed primarily by the issuance of equipment trust certificates, and replacements and additions to the operating property of the Authority.

Changes in the fund accounts of the Authority and the balances in such funds at the end of 1953 are shown in the "Statement of Funds" attached to this report. The increase in the Depreciation Reserve Fund was due in part to the fact that certain balances must be retained therein as a guarantee for Equipment Trust Certificates outstanding and in part to the fact that certain CTA construction projects were delayed to permit the Authority's labor forces to complete the installation, for the City's account, of street level tracks on Van Buren Street and the terminal at Des Plaines Avenue in Forest Park for operation of the Garfield Park Branch of the Authority's Rapid Transit System and terminal operations of Chicago Aurora and Elgin Railway Company. It is expected that rapid strides will be made during the early part of 1954 to complete the ordinary construction projects which had been delayed in 1953.

The decrease of $2,246,221 in the Modernization Fund arose principally because of deposits from such fund of $2,060,000 with the Trustee of the Series 4 and Series 5 Equipment Trust Certificates in connection with the issuance of such certificates. These funds, together with $940,000 to be deposited in 1954, were made available for this purpose from the proceeds of the Series of 1952 Revenue Bonds issued on October 1, 1952.

Funds on deposit with the Trustee for Equipment Trust Certificates for the purchase of equipment represent unexpended proceeds from the sale of such certificates and payments from the Authority's Modernization Fund which are being held pending the completion and delivery of new buses and el-subway cars; deliveries commenced in the latter part of 1953 and are expected to be completed during 1954.

New Financing

During 1953 the Authority issued additional revenue bonds and equipment trust certificates to (1) eliminate rental of track and right-of-way by purchasing such property, and (2) to continue the modernization of its equipment.

On October 1, 1953 the Authority issued $7,000,000 principal amount of 4½% Series of 1953 Revenue Bonds maturing July 1, 1982, as the total purchase price paid the Chicago, Milwaukee, St. Paul and Pacific Railroad Company for right-of-way running north from near Leland Avenue in Chicago to Linden Avenue in Wilmette and tracks on such right-of-way from near Wilson Avenue in Chicago to the northern end of the right-of-way. The property acquired by the Authority and related items are covered in greater detail elsewhere in this report.

The Series of 1953 Revenue Bonds are identical in every respect to the Series of 1952 Revenue Bonds, including maturity date, with sinking fund and other provisions on a pro rata basis of the principal amount of bonds issued.

New Elevated Curve at Lake and Paulina Streets for Temporary Use by Douglas Park Route.

Additional series of Equipment Trust Certificates were authorized and issued by the Board during 1953 to provide funds to purchase new equipment to continue its modernization program. Series 4 in the principal amount of $7,950,000 was issued on April 1, 1953 and Series 5 in the principal amount of $2,350,000 on October 1, 1953. Data with respect to interest rates, annual maturities and collateral of both of these issues are set forth in the Statement of Equipment Trust Certificates included in the financial statements attached to this report. In addition, Note (1) to the Balance Sheets attached to this report sets forth the additional series of certificates to be issued during 1954 and the equipment to be pledged thereto.

Service and Plant Improvements

Surface System—Transportation

The delivery of additional new motor buses has enabled the elimination of more streetcar track. Motor buses were substituted for streetcars on the following lines in 1953:

Route	From	To	Round Trip Miles	Date of Change
67th-69th	Oglesby & 67th	71st & Kedzie	15.70	May 25
Indiana Ave.	Michigan & Wacker	Indiana & 63rd	16.00	May 25
63rd St.	63rd & Stony Is.	63rd Pl. & Narragansett	20.66	May 25
43rd-Root	43rd & Lake Pk.	Root & Halsted	5.16	Aug. 9
Madison St.	Austin & Madison	State & Madison	15.34	Dec. 3

Substitution of trolley bus service for motor bus operation was effected on:

Route	From	To	Round Trip Miles	Date of Change
Armitage	Armitage & Clark	Grand & Latrobe	12.88	Feb. 1
Roosevelt Road	Roosevelt & Wabash	Roosevelt & Monitor	14.92	May 24

These additional trolley bus substitutions were made possible by utilizing some of the outmoded vehicles for a limited number of trips during the peak of the rush hours.

Off-Street Terminals

Five new off-street terminals were placed into service during the year for motor bus turnarounds.

Terminal	Principal Route	Date
Roosevelt & Wabash	Roosevelt Road	May 12
Racine & 87th	Wallace-Racine	May 28
26th & Kenton	Blue Island	June 28
Des Plaines & Garfield "L"	Westchester	Oct. 9
Kedzie & 63rd Pl.	S. Kedzie	Dec. 15

In addition to the above new turnaround locations several routes were extended to existing turnarounds including the Austin Avenue bus route, which was extended to the Milwaukee-Imlay loop, and the Laramie Avenue bus route, which was extended to the Grand-Latrobe terminal. There are now in use 99 off-street terminals for streetcars, trolley buses or motor buses.

Rerouting

Perhaps more reroutings of the surface lines were required during the year than in any similar period in the history of Chicago transit, about sixty in all. Numerous reroutings were required by the expansion of the one-way street system. Temporary routings were required because of the numerous public construction projects, particularly in the central business district. Rerouting changes were also effected co-ordinating the former Chicago Motor Coach routes with the lines of the surface system by combining them for through operation or modifying them to provide better connection with rapid transit service. Of these, two should be noted especially:

> The Austin Avenue bus line of the surface system was combined with the Austin Boulevard line of the boulevard system, on February 1, 1953. This afforded a through route from Milwaukee and Austin to Roosevelt and Austin.
>
> The Devon Avenue bus line was combined with the Howard-Ashland line on October 18, 1953. This afforded a direct connection for Devon Avenue patrons to the Loyola all-stop "L" station.

One-Way Streets

Additional one-way streets were added so that, at the year end, the traffic movement designated for through streets in the loop area was as follows:

Lake Street	Two-Way	East & West
Randolph Street	One-Way	Westbound
Washington Street	One-Way	Eastbound
Madison Street	One-Way	Westbound
Monroe Street	One-Way	Eastbound
Adams Street	One-Way	Westbound
Jackson Boulevard	One-Way	Eastbound
Van Buren Street	Two-Way	East & West
Wells Street	Two-Way	North & South
LaSalle Street	Two-Way	North & South
Clark Street	One-Way	Southbound
Dearborn Street	One-Way	Northbound
State Street	Two-Way	North & South
Wabash Avenue	Two-Way	North & South

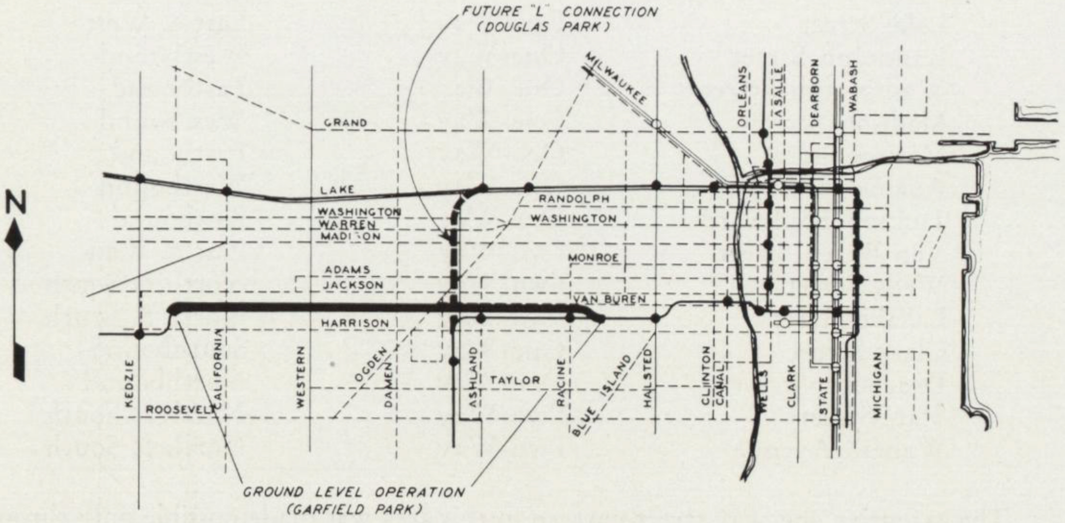
The extensive one-way street pattern in this area was made possible only through converting many of the streetcar lines to bus service. At the end of 1953 there were but five streetcar lines operating in the loop area as compared with twenty-one lines in 1945. Within a short time this may be reduced to two car lines: Clark-Wentworth and Broadway-State.

Rapid Transit—Transportation

The most important change in rapid transit operation during the year was on the Garfield Park Branch. The construction of a surface detour in and adjacent to Van Buren Street between Sacramento Boulevard and Racine Avenue was completed. Simultaneously with the completion of this detour, there was completed a transfer terminal at Des Plaines Avenue in Forest Park, comprising an outer loop for Chicago Transit Authority trains and an inner loop for Chicago Aurora and Elgin trains, with an overpass for Chicago Transit Authority trains to avoid crossing at grade.

Effective September 20, 1953, the Aurora and Elgin road ceased operating into the Wells Street terminal on the Chicago loop and terminated its trains at the new Des Plaines Avenue terminal in Forest Park. With this change Chicago Transit Authority furnished all transportation from the Des Plaines Avenue terminal to and from the Chicago loop. Other arrangements between Chicago Transit Authority and the Aurora and Elgin are outlined elsewhere in this report.

With this change ten rapid transit stations were abandoned on the Garfield Park branch and thirteen grade crossings were closed on account of highway construction. As expected, a considerable overall loss in riding occurred with the beginning of detour operation on the surface. Checks taken by the Authority indicated that the Aurora and Elgin lost 40 per cent of its riders from those arriving east at Des Plaines avenue and leaving west from there. In the case of the Garfield Park patronage from Des Plaines Avenue to the loop it was found that the traffic diminished by 25 per cent but this loss is practically all accounted for by the shift of riders to the Lake Street branch on the elevated.


FUTURE "L" CONNECTION
(DOUGLAS PARK)
MILWAUKEE
ORLEANS
LASALLE
DEARBORN
WABASH
GRAND
LAKE
RANDOLPH
WASHINGTON
WARREN
MADISON
WASHINGTON
MONROE
ADAMS
JACKSON
VAN BUREN
HARRISON
N
KEDZIE
CALIFORNIA
ROOSEVELT
WESTERN
OGDEN
DAMEN
ASHLAND
TAYLOR
RACINE
BLUE ISLAND
HALSTED
CLINTON
CANAL
WELLS
CLARK
STATE
MICHIGAN
GROUND LEVEL OPERATION
(GARFIELD PARK)

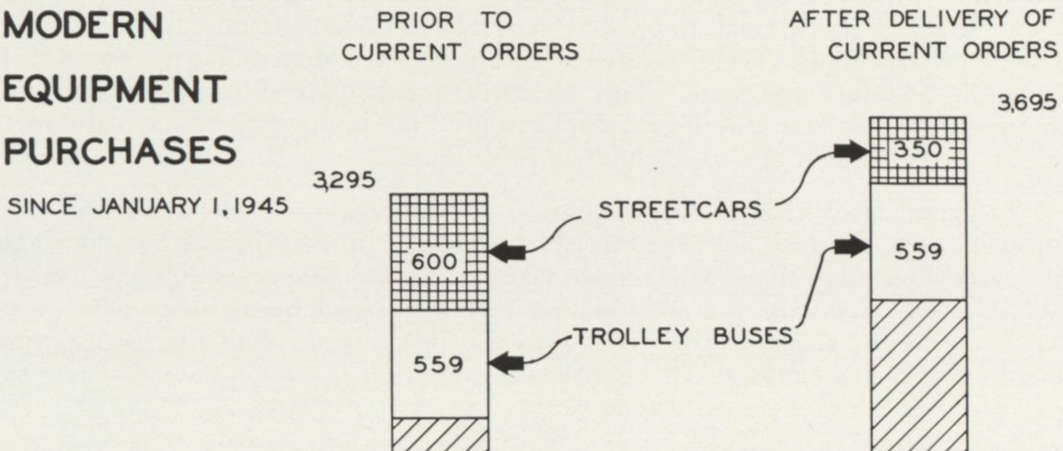
TEMPORARY ROUTING
GARFIELD PK. & DOUGLAS PK. RAPID TRANSIT

Equipment

In November, 1952, an order was placed with Flxible-Twin Coach for 100 propane buses. Early in 1953, an additional 300 buses were ordered. These buses incorporated the desirable features which had been developed based on the Authority's experience with the operation of the 500 propane buses purchased several years ago. Other improvements incorporated included push-out type center doors. The builders started delivery of these buses on August 27, 1953 and on December 31, 1953 had delivered 124.

During February, 1953, a contract was entered into with the St. Louis Car Company for the construction of 150 rapid transit cars with an option to purchase 100 additional cars. This option was later exercised and a total of 250 cars are on order.

The contract and the construction of the cars was somewhat unusual in that the Authority sold to the St. Louis Car Company an equivalent number of the PCC streetcars which were owned and operated since 1946. The car company removed trucks, motors, parts of control equipment, window sash, seats, light fixtures and other parts and used them in the construction of the new cars. The car builder prepared a new body and then applied the above mentioned parts. This has made it possible to obtain rapid transit cars for a substantially lesser cost than cars with all new parts would have cost.



In general these cars are similar to the 200 rapid transit cars purchased several years ago but are improved in some particulars and are more streamlined in appearance. They are equipped with a public address system and have a track brake on one truck. Provisions have been made to reduce vibration, particularly at higher speeds.

The use of higher speed rapid transit cars will be desirable with the development of clear right-of-way and track alignment that will permit such speeds. Consideration is being given to equipping four rapid transit cars with motors, controls and trucks for such high speed operation. These cars may be ready for tests during the summer of 1954.

Roadway Improvements

During the year a total of 63.92 miles of single track on public streets and 5.56 miles of single track in carhouses and yards were abandoned due to substitution of buses for streetcars. The major mileage changes on the three types of surface system service were:

Type of Service	December 31, 1953	December 31, 1952
Revenue Track in operation (equivalent miles of single track)	275.84	357.55
Trolley bus lines (single way miles) in operation	246.75	224.63
Motor bus lines (single way miles) in operation	1,333.96	1,318.43

A total of 9.81 single track miles of abandoned tracks were removed in connection with street improvement work. 3.93 single track miles were removed on private right-of-way and 2.17 single track miles were removed in carhouses and yards. Also on streets, 80.48 single track miles were covered with asphalt in connection with resurfacing work by the City, County and State. This has resulted in considerable improvement in operating conditions for our bus lines. Incidentally this improvement has substantially increased competition from automobiles on these routes.

The total track that has been removed in connection with repaving work, since the Authority was founded in 1945, is 123.71 miles. In that period 327.44 single track miles were covered with asphalt. Since virtually all of the track mileage was in the form of double track the City and other public authorities have been able to pave or resurface over 225 miles of roadway free from rails on the surface. This has been a worthwhile contribution to the cause of relieving street congestion.

Building Construction

The Authority continued during 1953 its conversion of carhouses to bus garages. The principal work of this type was done at the 69th and Ashland and the Lawndale houses. The work at Lawndale was substantially completed during the year, including heating and ventilating work. In addition to remodeling of buildings at 69th and Ashland, new heating and ventilating, propane storage tanks and related piping were installed.

Additional work was done at South Shops, particularly in the matter of providing facilities for bulk storage of fuel. Further work was completed at Skokie Shops, for more efficient handling of maintenance on rapid transit cars.

A transportation department building was completed at the western terminal of the Douglas Park rapid transit line. The space was occupied by the transportation department in December, 1953.

Wrecking Structures

Wrecking of the Garfield Park elevated structure between Paulina Street and Sacramento Boulevard began shortly after operation started on the surface detour. This wrecking was completed and payment of $12,000 was made to the Authority by the contractor.

A contract was awarded providing for payment to the Authority of $16,500 by the contractor for wrecking of the Humboldt Park Branch elevated structure west of Western Avenue. This work will go forward early in 1954. Service on this branch was discontinued on May 5, 1952.

Electric Power

The decrease in the use of electricity because of increasing operation with motor buses has required considerable rearranging of electric power facilities. This has enabled the reduction of the number of points of supply for power. Three substations were abandoned during the year namely, Argo, Westlawn and 40th Street.

In accordance with the agreement with Commonwealth Edison Company the Franklin substation and the East 63rd substation which had been operated by Edison were taken over and operated by Chicago Transit Authority forces.

The Forest Park substation became a point of supply after the Authority rendered sole operation on the Garfield Park rapid transit track between Laramie Avenue and Des Plaines Avenue.

Traffic Safety

The following quotation is from the annual report of the Citizens Traffic Safety Board of Metropolitan Chicago:

> "The three factors effective in achieving the goal of safer and more efficient street traffic are enforcement, engineering and education.
>
> "Engineering and enforcement are functions of government. Engineering improves streets physically. Enforcement is the greatest single deterrent to traffic law violators. Education seeks to teach pedestrians and drivers how to avoid accidents. Although a strong program of traffic law enforcement and constant engineering improvement is essential, their full benefits cannot be realized without a supporting educational program of the sort provided by the Citizens Traffic Safety Board."

The Citizens Traffic Safety Board, which is privately financed, has been a factor in the progress that has been made in correcting unsatisfactory traffic conditions. Its intensive educational program is believed to be an important element in bringing about the decrease by 30 (from the previous year) in the number of traffic fatalities in the City of Chicago. Chicago Transit Authority has continued support of this project.

Real Estate

In 1953 twelve parcels of real estate were sold at a total sales price of $399,200. Among these were the Armitage Avenue carhouse, the office building at Clark and Division Streets and the office building at 600 W. Washington Boulevard.

Eight parcels of real estate were purchased at a total purchase price of $96,250. These purchases were principally for route terminals or additions to garage sites.

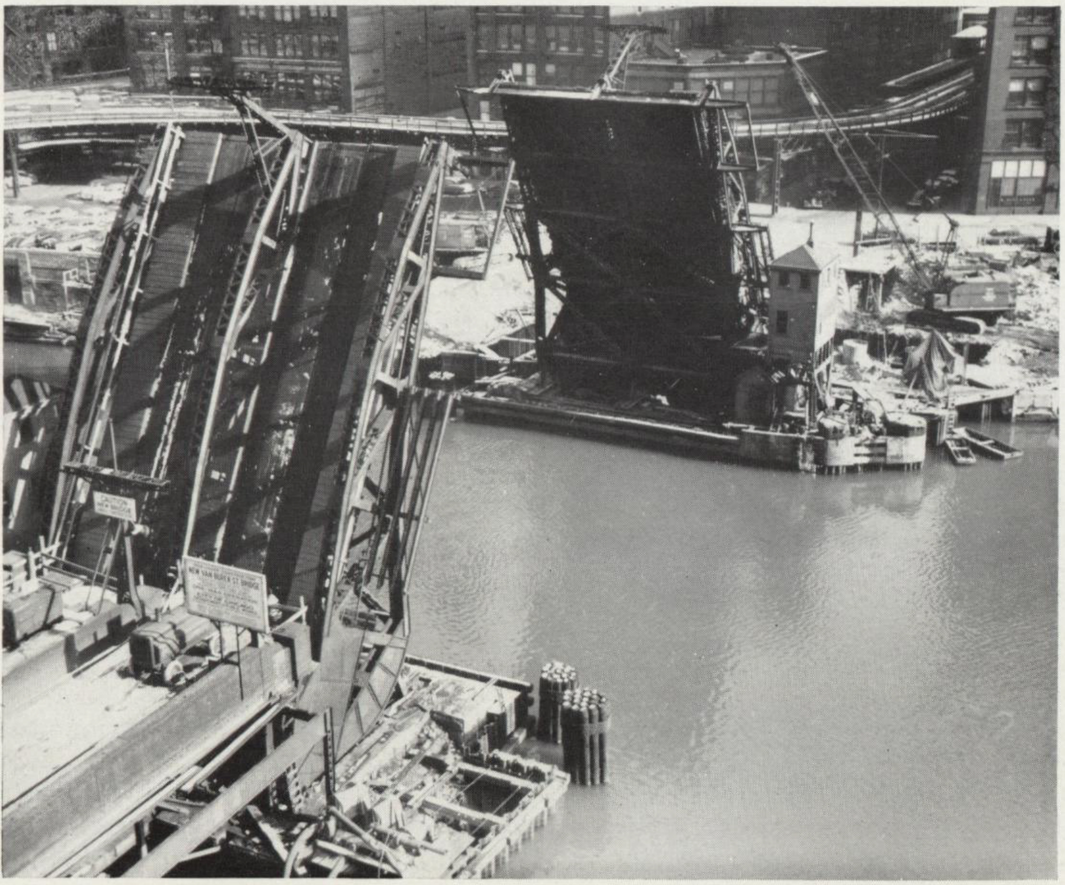
Several parcels of real estate not used now in operations will probably be sold during the year 1954.

Modernization Status

The total expenditures for modernization of the transit system from 1945 to the end of 1953 were $80,009,822. Of this $61,090,193 or 76 per cent was for new passenger equipment.

It should be noted that the above applies only to permanent improvements such as cars, buses, shops, garages, etc., on the former Chicago Rapid Transit Company and the former Chicago Surface Lines. It does not include the purchase price of Chicago Motor Coach ($16,476,786) or improvements thereto. Also not included is the purchase price of the portion of the Evanston branch of the Milwaukee Road ($7,000,000) and the purchase price of fixed transportation facilities from the Chicago Aurora and Elgin Railway ($1,000,000), which have increased the assets of the Authority.

The Authority has contributed other sums from earnings which were applied directly to public improvements, including the contribution to street paving where tracks are abandoned and payments for subway transportation equipment.



Bridge Repairs Cause One of Many Temporary Reroutings for CTA Bus Lines.

Administrative Activities

Rates of Fare

*Basic fares for adult passengers continued to be 20c cash or 5 tokens for 85c on the surface system and 20c cash or 5 tokens for 90c on the rapid transit system. Transfers are free but transfers between surface and rapid transit may be made only on payment of the rapid transit fare.

The sale and use of 10c railroad commuter bus coupons on the boulevard system was discontinued on February 1, 1953. On that date shuttle bus service in the central business district was expanded to 5 routes on which adult rides, without transfer, may be taken for 10c.

Effective September 7, 1953, the fares for children under 12 years of age and for school children 12 years of age or over, which had been 10c or 5 tickets for 40c, were changed to 10c. The use by school children of these half fares was liberalized to the extent that the 10c fares are available for passage at all times during the school year, whereas the school rate was previously restricted to certain hours on school days. The elimination of the 5/40c ticket simplified the administration of the fare schedule and the less restricted use of the 10c fare has proven popular.

A check (made in January, 1954) indicates that 13 per cent of the rides on the surface system are by persons paying a 10c fare. This includes those on the half fare basis and those using the shuttle service.

Two types of experimental bargain fare days were tried. The first, which was effective on Friday, August 28, and on Friday, September 4, 1953, provided that children between the ages of 12 and 18 inclusive would pay a fare of 10c. The purpose of this was to promote pre-school shopping. The results were not conclusive as too many factors were involved, but indications were that no increase in revenue resulted.

The second type of bargain fare provided for a 10c fare for all persons on the four Tuesdays in November, 1953 between the hours of 9:30 A.M. and 1:30 P.M. This was good on all transit facilities of the Authority in the city single fare area. Extensive checks indicated that, while some increased riding resulted, the total revenue on the four Tuesdays involved was approximately $44,000 less than would have been expected for four Tuesdays operating at the standard rate of fare. There was no improvement in revenue as time went on and no steps were taken to continue the experiment beyond the four Tuesdays originally established.

Related to the administration of fare collection are the simplified transfer regulations which were made effective on November 15, 1953. Transfers continue to be valid only for continuous rides over reasonably direct routes. Transfers between lines that do not meet and do not operate within one standard city block of each other are valid only at locations designated by CTA. A number of such points were authorized, most of which increased the possibilities for combination Surface-Rapid Transit rides, with time-savings to the users.

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* *Effective April 22, 1954, basic fares for adult passengers were increased to 20¢ cash with tokens available at 5 for $1.00 on both surface and rapid transit systems. Suburban through fares were set at 30¢ cash.*

Wage Agreements

The maximum wage rate for one-man vehicle operators was $1.84 per hour, immediately prior to June 1, 1953. A cost-of-living allowance, then 4c per hour, was in addition to the basic rate or a total of $1.88 per hour was paid.

Division 241 of the Amalgamated Association of Street Electric Railway and Motor Coach Employes of America notified Chicago Transit Authority, some time before the period beginning June 1, 1953, when changes in the wage agreement could be made effective, that it was serving new demands. Similar notices were received from Division 308 and other unions at later dates.

The principal demands by the unions included an increase of 26c in hourly wage rates, two additional paid holidays, increase in life insurance coverage to $2,000, increase in sick and accident pay from $20 to $25 per week, payment by the Authority of hospital insurance premiums covering dependents, and granting of one month's vacation to employes after 20 years of service.

The Authority's principal request was that there be no change in the then existing wage agreements. Negotiations were carried on to effect a settlement. Agreement proved impossible and the parties resorted to arbitration. Chicago Transit Board appointed Werner W. Schroeder as its arbitrator. Division 241 and Division 308 appointed Judge James J. McDermott of the Superior Court of Cook County as their arbitrator.

No third arbitrator was appointed. The two arbitrators agreed on findings and an award on May 28, 1953. The award provided that the basic hourly wage rates and monthly salaries of all employes covered by the existing agreements with Division 241 and Division 308 would be increased as follows:

8c per hour beginning June 1, 1953
2c per hour additional beginning January 1, 1954
4c per hour additional beginning June 1, 1954
2c per hour additional beginning January 1, 1955

The initial rate for one-man vehicle operators was $1.92 per hour and the ultimate rate ($2.00 per hour) would remain in effect until June 1, 1955. The cost-of-living formula which had been provided for in the previous agreements was eliminated as of June 1, 1953. (It was 4 cents per hour at that time). The portion of the agreements relating to working conditions, group life insurance, sick and accident pay and vacation allowances were modified slightly.

The arbitrators, with the consent of the Chairman of Chicago Transit Authority and the heads of Division 241 and Division 308 retained full jurisdiction for the sole purpose of determining on or before June 1, 1955, whether the rate which goes into effect on January 1, 1955 shall continue without change to December 31, 1955.

The award also provided that former Chicago Motor Coach Company employes, which had been represented by Division 1381 of the Amalgamated, would be governed by the terms of the labor agreement between Division 241 and the Authority. This representation became effective on June 1, 1953, although all necessary schedule changes were not completed until August 9, 1953.

Agreements with other unions were effected along the lines of the arbitration award for Division 241 and Division 308, except for a group of electrical workers affiliated with Local Union 9 of the International Brotherhood of Electrical Workers. In this case arbitration was again resorted to, but with a three man board. The three arbitrators agreed on a settlement in the form of an award dated December 31, 1953.

Pensions

As of December 31, 1953, there were 4,647 employes being paid Retirement Benefits under our Retirement Plan. Following are statistics for the Retirement Plan for Chicago Transit Authority employes.

Number retired during the year	602
Number of deaths for the year	328
Contributed by employes during the year	$2,143,915.26
Contributed by the CTA during the year	4,275,262.17
Money paid out during the year	5,123,504.13
Total cash and investments in Fund 1-1-53	7,498,789.81
Total cash and investments in Fund 12-31-53	9,290,171.66

The Pension Division of the Insurance Department began paying retirement allowance benefits under the Retirement Plan for Chicago Transit Authority employes on June 30, 1953 for those employes who were covered under the Retirement Plan for Chicago Motor Coach Company employes represented by Division 1381, and on September 30, 1953 to those employes who were covered by the Chicago Motor Coach Company Non-Union Employes Pension Trust.

These two Funds were absorbed into the Retirement Plan for Chicago Transit Authority employes effective January 1, 1953.

Insurance

A summary of the Fire Insurance carried at the close of the year follows:

	Amount
$1,500,000 in excess of $500,000 on property valued at expires November 24, 1956	$87,000,000
Trust Agreement Rolling Stock:	
Series 1, 2 and 3 (Purchased) expires 9-1-54	21,500,000
Series 4 (Being purchased) expires 7-7-56	4,436,300
Building and Contents (Boulevard System) expires October 29, 1956	2,400,000
Total	$115,336,300

Of the $87,000,000, on which the policy for damage in excess of $500,000 is carried, $81,000,000 represents Chicago Transit Authority properties other than the Boulevard System. The Boulevard System was added with a valuation of $6,000,000 beginning November 24, 1953. These represent the self-insured properties of the Authority. Of the $81,000,000 valuation for this group the losses for the year were $95,237. If these properties had been insured the premium cost would have been $135,136. The savings to the Authority for the past year through operation on the self-insurance basis was therefore $39,899.

The Authority also carries public liability insurance for certain specific locations as well as comprehensive coverage on dishonesty, disappearance and destruction of money and securities. Boiler and pressure vessel insurance is carried covering liabilities from explosions.

On June 1, 1953, as awarded by the Arbitration Board the amount of group life insurance on each employe was increased from $1250 to $1500. Employes of the Boulevard System (subject to some readjustments) were included in this coverage, as well as in the group health and accident and hospital and surgical insurance.

Accident Prevention

Although accident costs have been rising, good progress has been made in the field of accident prevention. The following is a brief summary of public accidents in 1953 compared with 1952.

	1953	1952	Per Cent Change
Total number of public accidents on Surface System	27,736	31,159	–11.0
Number of traffic type accidents on Surface System per 100,000 miles operated	12.3	13.7	–10.2
Number of passenger type accidents on Surface System per 1,000,000 rides	5.2	5.4	–3.7
Total number of public accidents on Rapid Transit System	3,360	3,380	–0.6
Number of traffic and passenger accidents (combined) on rapid transit system per 100,000 miles operated	1.7	1.7	0.0

The good record on the rapid transit system has been maintained and an encouraging reduction in frequency rates has resulted on the surface system.

The reinstruction of accident-prone trainmen constituted a considerable portion of the accident prevention program. A new inter-station competition called the Station Achievement Award has been set up for both the surface and rapid transit systems. This provides that each station shall compete with its previous record, averaged over three years, and shall be eligible for periodic awards based on an improvement factor comparison between stations. This plan was put into effect October 1, 1953.

Claims

The total disbursements for claims in 1953, including overhead expenses, amounted to $6,817,324 or 5.49% of the gross, as compared with $6,214,638 or 5.31% of the gross during 1952. The amounts paid per 100,000 passengers were:

Type of Service	1953	1952
Streetcars	$829	$680
Buses	309	260
Rapid Transit	326	322
System	449	411

The number of claims pending decreased from 4,495 at December 31, 1952 to 3,853 at December 31, 1953. The average cost of claims disposed of was $162 in 1953, which represented an increase above the $155 average cost in 1952.

The number of law suits disposed of during 1953 was 1,848 as compared with 1,603 in the calendar year 1952. The number of law suits pending increased from 5,649 at December 31, 1952 to 6,094 at December 31, 1953.

In 1953 suit settlement payments made during the year amounted to $2,794,853, an average of $1,512, per suit disposed of. This compares with total payments of $2,249,790, or an average of $1,403 in 1952.

The total expenses of suits disposed of amounted to $669,463 in 1953 as compared with $742,964 in 1952. The average expense per case disposed of in 1953 was $362 as compared with $463 in 1952.

Purchases and Stores

The general direction of these activities were placed under the supervision of a General Superintendent of Purchases and Stores. These two departments now have their headquarters at the Merchandise Mart and a new stationery store room was set up in the Merchandise Mart on January 26, 1953 to serve the requirements of all offices in the Mart.

It has been the policy of these two departments to reduce inventories. The rapid conversion from streetcars to buses has rendered this task difficult but inventories of approximately $8,000,000 in December, 1949 were reduced to approximately $6,800,000 in December, 1953. About $400,000 of this reduction was made during the past year.

During the year there were 55 formal bid openings held and 257 informal bid openings. The total value of invoices for other than passenger equipment purchases were $13,206,083. In addition $2,021,397 was expended for new passenger equipment from the trust equipment funds.

Reclamation and sales of scrap continued to be substantial, but prices were lower. In the year 1953 $847,276 was realized from scrap sales. The annual average of scrap sales for the seven year period 1948-1953 inclusive was $1,043,300.

Purchase of Milwaukee Road Property

Effective October 1, 1953, a section of the right-of-way of the Evanston Division of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company was purchased by Chicago Transit Authority for $7,000,000. This section, 7.68 miles in length, with 25.48 miles of regular track and 3.28 miles of gauntlet track or 28.76 track miles in all, extends from Montrose Avenue in Chicago to Linden Avenue in Wilmette and is a vital portion of the Authority's rapid transit operation.

The Authority, or its predecessors, operated this section by lease for many years. The portion of the route from Leland Avenue in Chicago to Central Street in Evanston was placed in operation in 1908 and the route was extended to Linden Avenue in 1912. The track operated by the Authority is all elevated except between the last two stations at the north end of the line.

There are four tracks on the portion from Leland Avenue to Howard Street. There are two tracks from Howard Street to Linden Avenue. The two outer tracks on the four track portion and both tracks on the two track portion are being used jointly with the Chicago, North Shore and Milwaukee Railway which makes payments to the Authority on a car mile basis for such use.

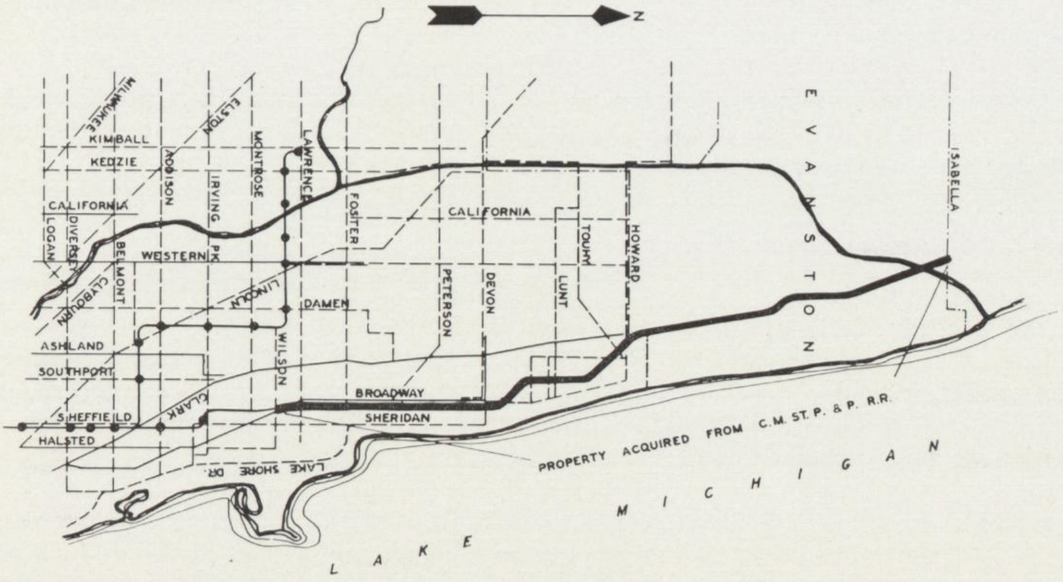
Notice of termination of the lease was received from the Milwaukee Road and the Authority would have been faced with increased rental costs beginning January 1, 1954. The rental was currently $466,593 per year. Annual payments under a proposed 25 year lease would have been $558,934. Under the purchase plan the average annual cost for bond service will be $496,907 (including $246,585 for interest) for a period of twenty-eight years, after which no additional payments will be required.

The Milwaukee Road purchased Seven Million ($7,000,000) Dollars in CTA revenue bonds from the Authority. This provided CTA with money for payment for the purchase of property. These bonds are due July 1, 1982 and bear interest at 4½% commencing October 1, 1953. In accordance with the purchase agreement with the Milwaukee Road, the old lease terminated on September 30, 1953.

While the Authority acquired all of the land in the section described certain freight facilities were retained by the Milwaukee Road for as long as it is required by public authority to maintain such facilities.

Chicago North Shore and Milwaukee Railway Co.

The operating agreement between Chicago Transit Authority and Chicago North Shore and Milwaukee Railway Company terminated on April 30, 1953 and a new agreement was negotiated and executed, in which the car mile charge payable by the latter for the use of the Authority's power, track and other facilities, was increased from 22c to 23c per car mile for the term of the renewal period May 1, 1953 to May 1, 1954.


N
MILWAUKEE
ELSTON
KIMBALL
KEDZIE
ADDISON
IRVING PK
MONTROSE
LAWRENCE
FOSTER
CALIFORNIA
CALIFORNIA
LOGAN
DIVERSEY
BELMONT
WESTERN
CLYBOURN
LINCOLN
DAMEN
PETERSON
DEVON
LUNT
TOUHY
HOWARD
ASHLAND
SOUTHPORT
CLARK
WILSON
BROADWAY
SHERIDAN
SHEFFIELD
HALSTED
LAKE SHORE DR.
PROPERTY ACQUIRED FROM C.M. ST. P. & P. R.R.
EVANSTON
ISABELLA
LAKE MICHIGAN

MILWAUKEE ROAD PROPERTY PURCHASED

The crews of the Authority had been operating the trains of the North Shore line from Howard Street in Chicago (the City limits) to the Roosevelt Road terminal of that railroad. This situation resulted from a jurisdictional dispute between the unions of the two companies. This caused no great inconvenience to the Authority because the services of its crews were paid for at cost. However, the North Shore claimed substantial increased costs were occasioned by this arrangement.

In a suit of North Shore against Division 308 of the Amalgamated Association of Street Electric Railway and Motor Coach Employes of America, the Circuit Court of Cook County, in a decree dated June 30, 1953, ordered that on and after July 1, 1953 the North Shore be permitted to operate trains on the Skokie Valley and Mundelein Route south of Howard Street with its own crews and that, after February 1, 1954, the crews of the North Shore be permitted to operate its Shore Line trains through to the Roosevelt Road terminal. All trains of the North Shore are now operated by its crews over the full length of its routes.

Chicago, Aurora and Elgin Railway Company

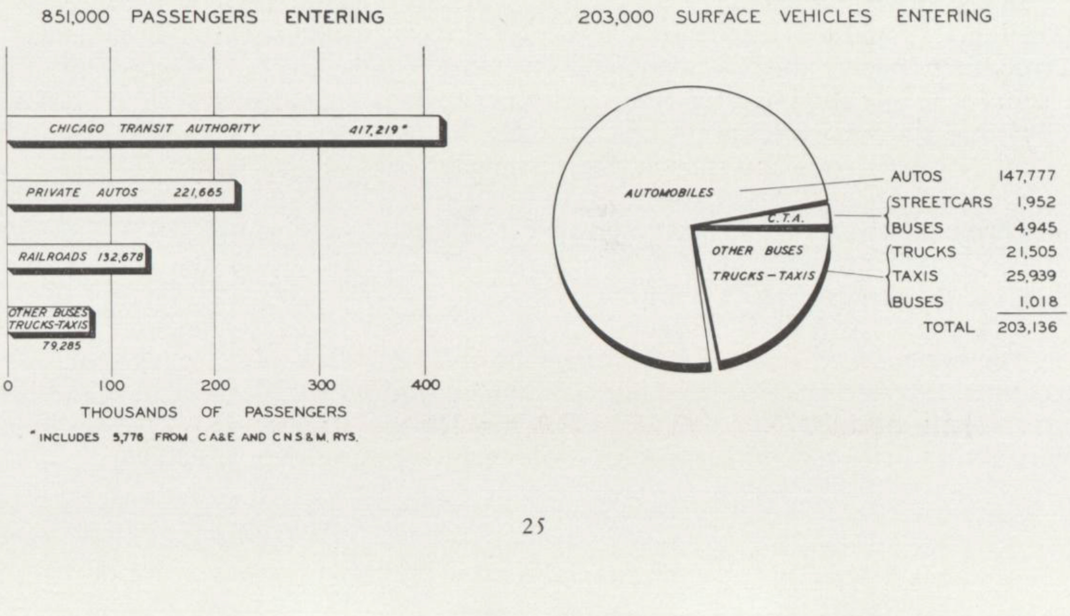
In accordance with an order of the Illinois Commerce Commission, dated July 29, 1953, the Chicago Aurora and Elgin Railway Company was temporarily authorized to suspend its operation between Des Plaines Avenue, Forest Park, and the Wells Street terminal in the Chicago loop. The portion of this operation from Laramie Avenue in Chicago to the loop was over the elevated structure of Chicago Transit Authority.

The suspension became effective on September 20, 1953, when operation of CTA trains began over the temporary surface tracks, which had been built for use by the Authority's Garfield Park line. At that time the Aurora and Elgin trains began operation to a newly constructed eastern terminal at Des Plaines Avenue in Forest Park. The

PASSENGERS AND SURFACE VEHICLES ENTERING

CENTRAL BUSINESS DISTRICT

CORDON COUNT DATA AVERAGE WEEKDAY— MAY 1953



*INCLUDES 5,776 FROM C A&E AND C N S & M. RYS.

Garfield Park trains of the Authority's rapid transit system operated to this terminal where passengers of the Aurora and Elgin could transfer across the platform between the trains of the two systems.

The Authority had been operating over the tracks of the Aurora and Elgin from Laramie Avenue in Chicago to Des Plaines Avenue in Forest Park under a leasing agreement. The Authority arranged for the acquisition of the rails, ties, switches, signal systems and other equipment and appurtenances constituting the fixed transportation facilities of the Aurora and Elgin in this area. The purchase was made at a price of $1,000,000 together with interest at the rate of 4% per annum on the balance of this sum from time to time remaining unpaid. The initial payment of $148,000 was made and the remaining balance of $852,000 is to be paid in six annual installments of $142,000, payable on the 1st day of December of the years 1954 to 1959 inclusive.

The County of Cook and the State of Illinois are acquiring the right-of-way of the Aurora and Elgin in this area for construction of the West Route Superhighway. The Authority has entered into an agreement with the County of Cook and Department of Public Works and Buildings of the State of Illinois providing for construction, by the public agencies, of all fixed transportation facilities for railway operation in a portion of the highway right-of-way. This will provide the Authority with an uninterrupted route along the line of the expressway which will connect with the subway in Congress Street.

The Des Plaines Avenue terminal in Forest Park was built by the Authority's forces at the expense of the public agencies. The public agencies will replace it with a permanent terminal when the highway construction is completed. A free parking lot accommodating approximately 300 automobiles was constructed at this terminal. This is virtually used to capacity and additional parking facilities are contemplated for the more permanent layout.

Public Information

Using various available media, Chicago Transit Authority endeavored throughout 1953 to adhere to its policy of keeping its patrons, and the public generally, informed of its activities.

In the latter months of 1953, CTA launched its most intensive newspaper advertising campaign. Promotional material was displayed daily, Monday through Thursday, in the metropolitan papers during September, October, November and December. The advertising schedule also included community newspapers on a limited scale. This campaign emphasized the time savings available to riders by using surface lines as feeder routes and the fast, "traffic-free" "L"-subway for the greater part of their trips.

Although no exact valuation is possible, this promotional campaign—costing approximately $33,000—is believed to have contributed substantially to the present increase in riding on the rapid transit system.

The various media on CTA facilities—unleased car card space, poster space on station platforms, exterior space on passenger equipment and on CTA structures; and the backs of transfers—are used extensively in CTA promotion. During 1953, CTA displayed its own copy, at little cost, in space with a sales value of more than $100,000.

Under a special arrangement with certain television stations, whereby television time was obtained for car card and traveling display space, CTA received about $80,000 of promotional and institutional television advertising during the year.

Publications

Frequent issues of Rider's Reader are published and distributed to CTA patrons from "Take-One" boxes in cars and buses. This is a convenient medium for discussions of service problems, announcements, and service changes.

A total of more than 2,000,000 folders, and leaflets, including 80,000 printed schedules of service on various lines, were distributed in 1953.

The CTA publishes and distributes by mail Transit News, its employe publication with a monthly circulation of 23,000. The magazine features unusual activities on CTA and human interest stories of interest to its personnel. The mailing list includes employes —active, retired, and on military leave of absence,—and a reciprocal group of other companies.

Customer Relations

Upward of 16,000 written and oral communications of complaint, commendation, suggestion, constructive criticisms and requests for information were received and processed during the past year. Each letter was given individual attention and, when necessary, the subject matter was thoroughly investigated, with a letter of reply sent to the writer.

C.T.A. provided car card and poster advertising space to the many worthy local and national governmental, civic, charitable, and public recreational activities of the Chicago area.

Management and Personnel

Chicago Transit Board

Mr. William W. McKenna was reappointed a member of Chicago Transit Board for the seven year term beginning September 1, 1953. The appointment was made by Honorable Martin H. Kennelly, Mayor of Chicago, with the consent of the City Council. The appointment was approved by Honorable William G. Stratton, Governor of Illinois and made effective by Mr. McKenna filing his oath of office on September 28, 1953 with the Secretary of State of the State of Illinois.

Mr. McKenna has been a member of the Board since its establishment. He was again elected Secretary of the Board by its members.

The Board held thirty-four meetings for the transaction of business in 1953. There were a number of public hearings on various matters, most of which related to service extensions and adjustments. Many informal conferences on policy matters were held during the year including the numerous problems arising from the service changes made necessary by the construction of the Congress Street Superhighway.

Management

In order to better correlate the activities of various departments four General Superintendent positions were established effective July 1, 1953.

Mr. T. B. O'Connor was appointed General Superintendent of Transportation and Equipment maintenance. The office of Superintendent of Transportation, vacated by Mr. O'Connor, was filled by Mr. C. E. Keiser.

Mr. G. S. Graybiel was appointed General Superintendent of Purchasing and Stores. Mr. S. D. Forsythe was appointed General Superintendent of Engineering. His supervisory activities cover Way and Structures, Electrical, Design, Specifications and Compliance, Traffic Engineering and Equipment Engineering.

Mr. E. A. Imhoff was appointed General Superintendent of Personnel. His activities cover Labor Negotiations, Employment, Medical, Job Classification, Accident Prevention, Training, Insurance and Pensions and Suggestion System.

Dr. George H. Irwin was appointed Medical Director and head of the Medical Department, effective October 12, 1953.

Among the retirements during the year was that of Edward J. Blair, Special Engineer, who retired on April 1, 1953, after forty-nine years of service.

Employment

Although there were 17,544 applicants for employment during the year as compared with 11,925 applicants in 1952, only 1754 or 10 per cent were found to be acceptable. It was found possible to fill clerical, laboring and rapid transit trainmen jobs with little delay. However, there was a shortage of surface system operators throughout the year, which varied from about 207 in May to 470 in November in spite of the fact that there were a number of conversions from two man operation to one man operation, thereby producing additional man power. The weekly overtime costs for the year on the surface system were estimated to be in excess of $1,100,000 due to man power shortages.

By the end of 1953 more manpower became available; and by the date of this report the Authority had filled its required complement of employes and overtime payments had been practically eliminated.

The total number of employes of Chicago Transit Authority at the close of the year was 16,845.

Other Personnel Activities

Concurrent with the move of the Job Classification Department to the Merchandise Mart on April 30, a central personnel record department was established as part of the Job Classification program. The transfer of personnel records of the boulevard system employes to the central personnel record room in the Mart was made on May 22, thereby placing all personnel records in a centralized location.

The Medical Department was reorganized on October 12, under the supervision of the Medical Director. All of the various medical activities were combined in this one group, which comprises, in addition to the Director, four other physicians and surgeons, two nurses and one medical stenographer. A total of 16,692 examinations were made in 1953, including x-rays on 669 employes and electrocardiograms on 111 employes.

The Employe Suggestion System received 1198 suggestions from 957 employes. Of these 82 were adopted. It is estimated that savings of $18,154.00 resulted from suggestions and $1,603.00 was paid as awards. The average award was $19.55 with a maximum award of $200.00. It is the belief of the Board that in addition to the value of the monetary savings resulting through ideas received, the Authority benefits in that the employe participating in the suggestion system demonstrates that he has a better than average interest in his job and in the welfare of the Authority.

Because of the rapid conversion to buses all new men in the surface system operator group (1074 in all) were trained to be qualified as bus operators in addition to being trained to other duties as may be temporarily required. On the rapid transit system the major change in passenger service was the temporary revision of the Garfield Park route. The nature of the ground level operation and the many changes in operating procedures caused by this rerouting required extensive training of all rapid transit personnel on the Garfield Park Branch.

Plans for 1954

The 1954 plans include some $25,000,000 for modernization, of which $15,000,000 is for new passenger equipment. Among the new construction contemplated is the new transportation and service buildings at the Elston and Armstrong garage site. This has been delayed for some time. It is planned that storage lots will be provided to accommodate 375 buses, thereby enabling better distribution of equipment in the northwest area. The completed project will represent an expenditure of approximately $2,500,000. This will be the third completely new garage and bus site developed by the Authority. The previous developments of this kind were at Beverly on the south side and at North Park on the north side.

Chicago Transit Authority will make a city-wide survey of existing automobile parking lots and areas that may be suitable for parking adjacent to rapid transit stations, outside the central business district. The intention is to use the information in a campaign to induce motorists to park their cars at conveniently located outlying rapid transit stations and complete their trips by rapid transit.

In 1954 there will be delivered 276 propane fueled motor buses from orders outstanding at the beginning of the year. These will be used principally for substitution of two-man streetcars. Deliveries of the 250 rapid transit cars on order will start in February and all cars are expected to be delivered by the close of the year. This will effect a substantial improvement in the rapid transit system service and reduce to a small percentage the vehicle mileage operated by other than all-steel cars.

The next major temporary rerouting on the rapid transit system, because of Congress Street Superhighway construction, will be that of the Douglas Park line. Early in the year this route will begin operation over the Paulina Street structure of the former Metropolitan elevated to Lake Street, and thence to the loop over the Lake Street elevated structure. Structural connections are being built to make this operation possible. It is contemplated that in the final plan, the Douglas Park line will be one of the group to operate in the Dearborn-Milwaukee subway via the new Congress Street subway.

Acknowledgments

The Board is appreciative of the patience of the riding public in adjusting to the numerous temporary reroutings, that were made necessary by the construction of public improvements which will be of permanent benefit to the residents of this area.

Acknowledgment is made of the helpful attitude of the City of Chicago and other governmental agencies in cooperating to enable the Authority to continue a high standard of service.

We express sincere thanks to the employes of the Authority for their efforts during 1953 and for their understanding of the problems in providing good transit service for our community.

By Order of the Board

Ralph Budd

Chairman.

Room 734
Merchandise Mart Plaza
Chicago 54, Illinois
April 1, 1954.

To Chicago Transit Board,
Chicago Transit Authority:

We have examined the balance sheet of CHICAGO TRANSIT AUTHORITY (an Illinois municipal corporation) as of December 31, 1953, and the related statements of income, of accumulated net earnings, of application of revenues and of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We previously had made a similar examination for the year ended December 31, 1952.

In our opinion, the accompanying balance sheet and related statements of income, of accumulated net earnings and of funds present fairly the financial position of Chicago Transit Authority as of December 31, 1953, and the results of its operations and fund transactions for the year then ended, and were prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

It is our further opinion that the accompanying statement of application of revenues presents fairly the distribution made of revenues of Chicago Transit Authority for the year ended December 31, 1953, and was prepared in accordance with the provisions of the Trust Agreement securing the Revenue Bonds.

ARTHUR ANDERSEN & CO.

Chicago, Illinois,
March 6, 1954.

COMPARATIVE BALANCE SHEETS—CHICAGO TRANSIT AUTHORITY

Assets

	December 31	
	1953	1952
Transportation Property, at cost	$156,119,397	$147,748,507
Less—Reserve for depreciation	30,095,747	24,234,402
	$126,023,650	$123,514,105
Special Funds: Cash and U. S. Government securities (see accompanying statement of funds)—		
Under control of Revenue Bond Trustee—		
Transit Revenue	$ —	$ —
Series of 1947 Serial Bond Maturity	900,000	500,000
Revenue Bond Reserves	6,737,655	6,446,000
Depreciation Reserve	3,174,852	1,743,475
Revenue Bond Amortization	317,838	300,000
Operating Expense Reserve	1,571,426	1,488,736
Modernization	3,355,046	5,601,266
	$ 16,056,817	$ 16,079,477
Under control of Equipment Trustee (for purchase of equipment)	10,396,803	—
Damage Reserve	1,555,473	1,556,624
	$ 28,009,093	$ 17,636,101
Current Assets:		
Cash, U. S. Government and municipal securities (see accompanying statement of funds)—		
Working cash (including $5,000,000 provided from Revenue Bond proceeds)	$ 11,193,923	$ 11,268,402
Deposits for payment of interest on Revenue Bonds	2,462,580	2,425,520
Deposits for payment of interest on Equipment Trust Certificates	303,107	109,672
	$ 13,959,610	$ 13,803,594
Accounts receivable	1,421,385	1,332,739
Materials and supplies, at average cost	6,821,423	7,205,244
Prepayments and other current assets	939,417	607,152
	$ 23,141,835	$ 22,948,729
Deferred Charges:		
Discount on Series of 1952 Revenue Bonds	$ 908,781	$ 1,017,750
Improvements to leased offices	439,993	228,014
Other	217,327	47,796
	$ 1,566,101	$ 1,293,560
	$178,740,679	$165,392,495

The accompanying notes are an integral part of these balance sheets.

Liabilities

	December 31 1953	December 31 1952
Long-Term Debt (see accompanying statements):		
Revenue Bonds	$132,687,000	$128,000,000
Equipment Trust Certificates, after deducting funds of $1,566,684 and $1,566,672, respectively, held by Trustee for payment of principal—Note 1	13,433,316	7,833,328
	$146,120,316	$135,833,328
Accumulated Net Earnings (see accompanying statement):		
Portion allocated in accordance with Revenue Bond Trust Agreement for—		
Debt service requirements—		
Serial Bond Maturity	$ 1,900,000	$ 500,000
Revenue Bond Reserves	6,737,655	6,446,000
Revenue Bond Amortization	1,516,714	300,000
Operating Expense Reserve	1,571,426	1,488,736
Modernization	510,408	415,781
Other	121,186	90,821
	$ 12,357,389	$ 9,241,338
Less—Financing costs not deductible from revenues in accordance with Revenue Bond Trust Agreement	2,246,309	1,624,334
	$ 10,111,080	$ 7,617,004
Current Liabilities:		
Accounts payable	$ 4,118,837	$ 4,236,915
Accrued wages	5,926,122	5,596,222
Accrued interest on Revenue Bonds	2,462,580	2,425,520
Accrued interest on Equipment Trust Certificates	303,107	109,672
Unredeemed tickets and tokens	868,117	696,164
	$ 13,678,763	$ 13,064,493
Deferred Liability (for repaving of abandoned right of way)	$ 1,516,166	$ 1,562,166
Damage Reserve	$ 7,314,354	$ 7,315,504
Equipment Commitments—Note 1		
	$178,740,679	$165,392,495

Notes to Balance Sheets

December 31, 1953

(1) The Authority has entered into an agreement with John Nuveen & Co., which provides, subject to certain conditions, for the sale of $15,000,000 of Equipment Trust Certificates. At December 31, 1953, the Authority had issued $10,300,000 of Series 4 and 5 Equipment Trust Certificates under this agreement, and it is anticipated that the remaining $4,700,000 of Equipment Trust Certificates will be issued as presently outstanding certificates mature. The proceeds from these latter certificates, together with other funds, will be applied to the purchase of equipment which will be pledged as collateral for such certificates.

The source of funds and the application of such funds for the purchase of equipment is as follows:

	Total	Series 4 and 5 Equipment Trust Certificates (Outstanding Dec. 31, 1953)	Equipment Trust Certificates (to be Issued)
Source of funds for purchase of equipment—			
Equipment trust certificates	$15,000,000	$10,300,000	$4,700,000
Modernization funds	3,000,000	2,060,000	940,000
Sale of PCC cars	3,500,000	2,212,000	1,288,000
	$21,500,000	$14,572,000	$6,928,000
Funds applied or to be applied for equipment purchases—			
Equipment delivered			
105 propane buses	$ 1,963,197	$ 1,963,197	$ —
Equipment to be delivered—			
295 propane buses	5,746,723	5,068,593	678,130
250 elevated subway cars	11,583,000	7,320,456	4,262,544
Total equipment under contract	$19,292,920	$14,352,246	$4,940,674
Equipment to be ordered—			
100 buses (estimated cost)	1,987,326	—	1,987,326
Funds available for contract changes	219,754	219,754	—
	$21,500,000	$14,572,000	$6,928,000

(2) On January 14, 1954, the Authority acquired certain track, stations and other equipment from the Chicago Aurora and Elgin Railway Company between Laramie Avenue in Chicago, and Des Plaines Avenue in Forest Park. Payments for this property aggregating $1,000,000 plus interest at 4% per annum are to be made over a period of six years from the Depreciation Reserve Fund and/or Modernization Fund.

Series 3 Refunding	Series 4		Series 5	
	Class 1	Class 2	Class 1	Class 2
3½%	3¾% (Note 1)	4½% (Note 1)	4% (Note 1)	5% (Note 1)
$ 400,000	$ —	$ —	$ —	$ —
—	485,000	175,000	145,000	50,000
—	1,090,000	385,000	320,000	115,000
—	1,130,000	400,000	335,000	120,000
—	1,170,000	415,000	345,000	120,000
—	1,215,000	215,000	360,000	65,000
—	1,270,000	—	375,000	—
$ 400,000	$ 6,360,000	$ 1,590,000	$ 1,880,000	$ 470,000
133,340	—	—	—	—
$ 266,660	$ 6,360,000	$ 1,590,000	$ 1,880,000	$ 470,000
$ 266,660	$ 660,000	$ —	$ 195,600	$ —

	Series 3		Series 4		Series 5	
	Units	Amount	Units	Amount	Units	Amount
	50	$ 814,585	105	$ 1,963,197	—	$ —
	—	—	—	—	—	—
9	74	1,270,733	—	—	—	—
	—	—	—	1,862,000	—	238,000
	—	—	161	3,097,675	100	1,970,918
	—	—	133	4,300,156	25	920,300
	—	—	—	178,972	—	40,782
9		$ 2,085,318		$11,402,000		$ 3,170,000
						112,000
						$ 3,058,000

of 1-3/4% and 6/10% per annum is payable to January 1, 1956, on the Series 5, Class 1 and Class 2 certificates, respectively.

s to which are to be made only after requirements have been fulfilled for principal and interest on the Revenue Bonds.

Statement of Revenue Bonds

December 31, 1953

	Total Revenue Bonds	Series of 1947	
		Interest Rate	Amount
Principal Amount by Year of Maturity:			
1954	$ 1,800,000	3¼%	$ 1,800,000
1955	2,400,000	3¼%	2,400,000
1956	2,800,000	3¼%	2,800,000
1957	3,000,000	3¼%	3,000,000
1958-1961	8,000,000	3⅜%	8,000,000
1962-1965	8,000,000	3½%	8,000,000
1966-1972	13,000,000	3⅝%	13,000,000
1978	63,906,000	3¾%	63,906,000
1982	29,781,000	—	—
REVENUE BONDS per balance sheet	$132,687,000		$102,906,000
OTHER DATA WITH RESPECT TO REVENUE BONDS:			
Funds on deposit or to be deposited with Trustee, classified as special funds in balance sheet—			
Serial Bond Maturity	$ 900,000		$ 900,000
Revenue Bond Reserves	6,737,655		6,400,000
Revenue Bond Amortization	317,838		246,517
	$ 7,955,493		$ 7,546,517
Deposits with Trustee (exclusive of interest) required in 1954 (note)—			
Serial Bond Maturity, monthly deposits beginning July 1 of each year to pay Series of 1947 Revenue Bonds maturing the following July 1	$ 2,100,000		$ 2,100,000
Revenue Bond Reserves—			
Series of 1947, required to be maintained at $6,400,000	—		—
Series of 1952, $23,000 monthly until fund aggregates 6% of the principal amount of the then outstanding Series of 1952 Revenue Bonds	276,000		—
Series of 1953, $7,000 monthly until fund aggregates 6% of the principal amount of the then outstanding Series of 1953 Revenue Bonds	84,000		—
Revenue Bond sinking fund deposits begin July 1, 1957 and January 1, 1960, respectively	—		—
	$ 2,460,000		$ 2,100,000

NOTE: In addition to the above deposits, the Authority is also required to deposit from monies remaining after all requi and deficiencies, if any, in previous quarters within the year, in the Revenue Bond Amortization Fund.

TY

Series of 1952		Series of 1953	
Interest Rate	Amount	Interest Rate	Amount
—%	$ —	—%	$ —
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
4½	22,781,000	4½	7,000,000
	$ 22,781,000		$ 7,000,000

Series of 1952	Series of 1953
$ —	$ —
323,655	14,000
54,607	16,714
$ 378,262	$ 30,714

Series of 1952	Series of 1953
$ —	$ —
—	—
276,000	—
—	84,000
—	—
$ 276,000	$ 84,000

ed deposits in the Depreciation Fund have been made, $316,714 each quarter,

Statement of Equipment Trust Certificates

December 31, 1953

	Total Equipment Trust Certificates	Series 1 Refunding 3½%	Series 2 Refunding 3½%
Principal Amount by Year of Maturity:			
1954	$ 4,700,000	$ 3,500,000	$ 800,000
1955	855,000	—	—
1956	1,910,000	—	—
1957	1,985,000	—	—
1958	2,050,000	—	—
1959	1,855,000	—	—
1960	1,645,000	—	—
Total outstanding	$15,000,000	$ 3,500,000	$ 800,000
LESS—Funds held by Trustee for payment of principal (deducted from Equipment Trust Certificates in accompanying balance sheet)	1,566,684	1,166,672	266,672
EQUIPMENT TRUST CERTIFICATES, per balance sheet	$13,433,316	$ 2,333,328	$ 533,328
OTHER DATA WITH RESPECT TO EQUIPMENT TRUST CERTIFICATES:			
Deposits with Trustee required in 1954 for payment of principal (Note 2)	$ 3,988,916	$ 2,333,328	$ 533,328

	Series 1		Series 2	
	Units	Amount	Units	Amount
Collateral at December 31, 1953—				
Equipment held in name of Trustee (at contract cost)—				
Propane buses	500	$ 8,195,304	—	$ —
Elevated-subway cars	200	7,674,119	—	—
Trolley buses	42	721,227	233	4,000,24
Partial payments on elevated-subway cars in process of manufacture or delivery	—	—	—	—
Cash and U. S. Government securities held by Trustee for purchase of following equipment—				
Propane buses	—	—	—	—
Elevated-subway cars	—	—	—	—
Funds held by Trustee in excess of present contract requirements	—	—	—	—
		$16,590,650		$ 4,000,24
Less—Cash to be received by Trustee from sale of PCC cars				

NOTES:

(1) Additional interest of 1-1/2% per annum is payable to July 1, 1955, on the Series 4, Class 1 and Class 2 certificates. Additional interest

(2) Payments of principal and interest on all series of Equipment Trust Certificates are to be made from the Depreciation Reserve Fund, deposit

(3) See balance sheet Note 1 for information regarding the proposed sale of additional Equipment Trust Certificates.

Statements of Income (See Note)

For the Years Ended December 31, 1953 and 1952

	1953	1952
Revenues	$124,103,962	$117,122,567
Operating Expenses:		
Operation and maintenance expenses—		
Way and structures	$ 7,558,608	$ 7,255,784
Equipment	14,653,668	14,685,337
Power	7,061,689	7,517,126
Fuel for revenue equipment	3,705,247	2,814,152
Conducting transportation	56,897,732	53,963,956
Provision for injuries and damages	6,816,174	5,856,128
General expenses	9,603,787	8,623,657
	$106,296,905	$100,716,140
Depreciation	9,928,317	9,369,805
Municipal compensation (met by available credits under Franchise Ordinance and other agreements)	—	386,530
	$116,225,222	$110,472,475
Net operating income	$ 7,878,740	$ 6,650,092
Interest Deductions:		
Interest on Revenue Bonds	$ 4,889,336	$ 4,075,000
Interest and redemption premium on Equipment Trust Certificates	587,475	784,611
Amortization of Revenue Bond discount	34,500	17,250
Interest earned on funds controlled by Revenue Bond Trustee	(126,647)	(65,969)
	$ 5,384,664	$ 4,810,892
Net income (see note)	$ 2,494,076	$ 1,839,200

NOTE: The above statements show the revenues, expenses and net income of the Authority for the years ended December 31, 1953 and 1952. These statements do not purport to show the disposition of gross revenues in the order of precedence required by the Trust Agreement securing the Revenue Bonds. Such information is presented in the accompanying Statements of Accumulated Net Earnings and Application of Revenues.

Statements of Application of Revenues

(Applied in the order of precedence required by Trust Agreement securing Revenue Bonds)
For the Years Ended December 31, 1953 and 1952

	1953	1952
Revenues	$124,103,962	$117,122,567
Operation and Maintenance Expenses	106,296,905	100,716,140
	$ 17,807,057	$ 16,406,427
Debt Service Requirements—Revenue Bonds:		
Interest	$ 4,889,336	$ 4,075,000
Serial Bond Maturity	1,400,000	500,000
Revenue Bond Reserves	290,000	813,314
	$ 6,579,336	$ 5,388,314
Balance	$ 11,227,721	$ 11,018,113
Other Requirements:		
Depreciation—		
Current year's requirement	$ 9,928,317	$ 9,369,805
Portion of 1951 requirement not earned in that year	—	61,778
Revenue Bond amortization	1,216,714	300,000
Operating Expense Reserve	82,690	900,000
Municipal compensation (met by available credits under Franchise Ordinance and other agreements)	—	386,530
	$ 11,227,721	$ 11,018,113
Unappropriated net revenues	$ —	$ —

NOTE: Revenues remaining in each year after deducting operation and maintenance expenses are to be deposited in the following funds, in the order shown, to the extent that monies are available therefor:

1. Revenue Bond Interest, Serial Bond Maturity, and Reserve Funds—Deposits equal to debt service requirements as provided for in the Revenue Bond Trust Agreement.
2. Depreciation Reserve Fund—Deposits equal to annual depreciation provision and deficiencies, if any, in prior years' deposits.
3. Revenue Bond Amortization Fund—Deposits, cumulative within the year, equal to $300,000 quarterly for the Series of 1947 and 1952 Revenue Bonds and $16,714 quarterly from October 1, 1953, for the Series of 1953 Revenue Bonds.
4. Operating Expense Reserve Fund—Deposit to be $900,000 each year.
5. Municipal Compensation Fund—Deposit to be equal to an amount computed in accordance with the Franchise Ordinance.
6. Modernization Fund—Deposit to be equal to the monies remaining after making required deposits in the above funds.

Statement of Accumulated Net Earnings

For the Year Ended December 31, 1953

		Portion Allocated in Accordanc		
		Debt Service Requirements		
	Total	Serial Bond Maturity	Revenue Bond Reserves	Re F Amo
Balance December 31, 1952	$ 7,617,004	$ 500,000	$6,446,000	$ 3
Net income for 1953, per statement of income	2,494,076	—	1,655 (2)	
Allocation of net earnings for—				
Debt service requirements	—	1,400,000	290,000	
Revenue Bond amortization	—	—	—	1,2
Operating Expense Reserve	—	—	—	
Balance December 31, 1953	$10,111,080	$1,900,000	$6,737,655	$1,5

( ) Denotes deduction.

NOTES:

(1) In accordance with the Revenue Bond Trust Agreement these items, representing accumulated interest and redempt of discount on Revenue Bonds, are not deductible from revenues.

(2) Interest earnings on investments in funds controlled by the Revenue Bond Trustee which are available only for d

e With Revenue Bond Trust Agreement For·

venue ond rtization	Operating Expense Reserve	Modernization	Other (Depreciation Fund and Special Modernization)	Unallocated Net Earnings	Financing Costs Not Deductible from Revenues (Note 1)
00,000	$1,488,736	$415,781	$ 90,821	$ —	($1,624,334)
—	—	94,627 (2)	30,365 (2)	2,989,404	(621,975)
—	—	—	—	(1,690,000)	—
16,714	—	—	—	(1,216,714)	—
—	82,690	—	—	(82,690)	—
16,714	$1,571,426	$510,408	$121,186	$ —	($2,246,309)

ion premium on Equipment Trust Certificates paid from the Depreciation Reserve Fund and amortization

isbursement for purposes for which the funds were created.

Statement of Funds

For the Year Ended December 31, 1953

		Funds Under Contr			
			Revenue Bond		
	Total	Transit Revenue	Interest	Serial Maturity	Reserves
Balance December 31, 1952—					
Classified in accompanying balance sheet as:					
Special funds	$ 17,636,101	$ —	$ —	$ 500,000	$6,446,00
Current assets	13,803,594	—	2,425,520	—	—
Reduction of long-term debt	1,566,672	—	—	—	—
	$ 33,006,367	$ —	$2,425,520	$ 500,000	$6,446,00
Eliminate—					
Fund transfers and deposits recorded at December 31, 1952, but made after that date	(344,844)	4,705,671	—	—	—
Balance December 31, 1952—					
After eliminating above transfers and deposits	$ 32,661,523	$ 4,705,671	$2,425,520	$ 500,000	$6,446,00
Add—Receipts:					
Collection of revenues	$124,316,750	$123,939,714	$ 25,492	$ 11,227	$ 165,65
Proceeds from sale of Revenue Bonds	7,013,125	—	13,125	—	—
Proceeds from sales of Equipment Trust Certificates	10,300,000	—	—	—	—
Other receipts	7,193,984	7,202,204	—	—	1,65
Transfers from Transit Revenue Fund	—	(131,488,509)	4,876,211	1,400,000	290,00
Other transfers (net)	—	247,142	(25,492)	(11,227)	(165,65
	$148,823,859	$ (99,449)	$4,889,336	$1,400,000	$ 291,65
Deduct—Disbursements:					
Costs and expenses of operations, purchase of materials and supplies, reimbursable expenditures, etc.	$105,456,407	$ —	$ —	$ —	$ —
Purchase of Chicago, Milwaukee, St. Paul and Pacific Railroad Co. properties	7,000,000	—	—	—	—
Disbursements for purposes for which funds were created	25,846,074	—	4,852,276	1,000,000	—
Transfers from Revenue Bond Trustee to Equipment Trustee (see accompanying statement)	—	—	—	—	—
	$138,302,481	$ —	$4,852,276	$1,000,000	$ —
Balance December 31, 1953—					
Before transfers described below:					
Cash	$ 19,080,354	$ 4,606,222	$2,462,580	$ 11,907	$ 62,64
U. S. Government and municipal securities (at cost)	24,102,547	—	—	888,093	6,675,01
	$ 43,182,901	$ 4,606,222	$2,462,580	$ 900,000	$6,737,65
Add or (Deduct):					
December collections deposited January 4, 1954	352,486	352,486	—	—	—
Fund transfers to be made after December 31, 1953—					
Transfers from Transit Revenue Fund	—	(4,958,708)	—	—	—
Reimbursement of working cash for disbursements payable from special funds	—	—	—	—	—
	$ 43,535,387	$ —	$2,462,580	$ 900,000	$6,737,65
Balance December 31, 1953—					
Classified in accompanying balance sheet as:					
Special funds	$ 28,009,093	$ —	$ —	$ 900,000	$6,737,65
Current assets	13,959,610	—	2,462,580	—	—
Reduction of long-term debt	1,566,684	—	—	—	—
	$ 43,535,387	$ —	$2,462,580	$ 900,000	$6,737,65

NOTE (1): $543,900 minimum balance required by Equipment Trust Agreements at December 31, 1953.

T AUTHORITY

ol of Revenue Bond Trustee					Funds Under Control of Equipment Trustee (See Accompanying Statement)	Other Funds	
Depreciation Reserve	Revenue Bond Amortization	Operating Expense Reserve	Municipal Compensation	Modernization		Damage Reserve	Working Cash
$ 1,743,475	$ 300,000	$1,488,736	$ —	$ 5,601,266	$ —	$1,556,624	$ —
—	—	—	—	—	109,672	—	11,268,402
—	—	—	—	—	1,566,672	—	—
$ 1,743,475	$ 300,000	$1,488,736	$ —	$ 5,601,266	$ 1,676,344	$1,556,624	$ 11,268,402
(332,193)	(300,000)	(602,889)	2,472	(25,425)	—	(497,564)	(3,294,916)
$ 1,411,282	$ —	$ 885,847	$2,472	$ 5,575,841	$ 1,676,344	$1,059,060	$ 7,973,486
$ —	$ —	$ 23,237	$ —	$ —	$ 134,867	16,562	$ —
—	—	—	—	7,000,000	—	—	—
—	—	—	—	—	10,300,000	—	—
30,365	—	—	—	94,627	(134,867)	—	—
10,064,041	1,200,000	621,952	—	2,374,712	—	—	110,661,593
—	—	(42,300)	(2,472)	153,869	—	6,729,021	(6,882,890)
$10,094,406	$1,200,000	$ 602,889	($2,472)	$ 9,623,208	$10,300,000	$6,745,583	$103,778,703
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$105,456,407
—	—	—	—	7,000,000	—	—	—
3,074,683	1,198,876	—	—	652,704	9,158,429	6,794,202	(885,096)
5,288,679	—	—	—	4,160,000	(9,448,679)	—	—
$ 8,363,362	$1,198,876	$ —	$ —	$11,812,704	$ (290,250)	$6,794,202	$104,571,311
$ 749,494	$ 1,124	$ 10,121	$ —	$ 145,827	$ 2,901,712	$1,010,441	$ 7,118,286
2,392,832	—	1,478,615	—	3,240,518	9,364,882	—	62,592
$ 3,142,326(1)	$ 1,124	$1,488,736	$ —	$ 3,386,345	$12,266,594	$1,010,441	$ 7,180,878
—	—	—	—	—	—	—	—
847,705	316,714	82,690	—	—	—	545,032	3,166,567
(815,179)	—	—	—	(31,299)	—	—	846,478
$ 3,174,852	$ 317,838	$1,571,426	$ —	$ 3,355,046	$12,266,594	$1,555,473	$ 11,193,923
$ 3,174,852	$ 317,838	$1,571,426	$ —	$ 3,355,046	$10,396,803	$1,555,473	$ —
—	—	—	—	—	303,107	—	11,193,923
—	—	—	—	—	1,566,684	—	—
$ 3,174,852	$ 317,838	$1,571,426	$ —	$ 3,355,046	$12,266,594	$1,555,473	$ 11,193,923

( ) Denotes deduction.

Statement of Funds Under Control of Equipment Trustee

For the Year Ended December 31, 1953

			Equ
			Paym
	Total Funds Under Control of Equipment Trustee	Payment of Interest	Series 1 Refunding
Balance December 31, 1952—			
Classified in accompanying balance sheet as:			
Current assets	$ 109,672	$109,672	$ —
Reduction of long-term debt	1,566,672	—	1,166,668
	$ 1,676,344	$109,672	$1,166,668
Add—Receipts:			
Proceeds from sale of Equipment Trust Certificates	$10,300,000	$ —	$ —
Interest collections on U. S. Government securities	134,867	—	16,705
Interest collections transferred to Revenue Bond Trustee	(134,867)	—	(16,705)
Transfers from Revenue Bond Trustee for—			
Payment of principal and interest on Equipment Trust Certificates	5,288,679	588,667	3,500,004
Purchase of equipment	2,060,000	—	—
Proceeds from sale of PCC cars	2,100,000	—	—
	$19,748,679	$588,667	$3,500,004
Deduct—Disbursements:			
Payments to equipment manufacturers	$ 4,063,197	$ —	$ —
Payment of principal and interest on Equipment Trust Certificates	5,095,232	395,232	3,500,000
	$9,158,429	$395,232	$3,500,000
Balance December 31, 1953:			
Cash	$ 2,901,712	$303,107	$ 955
U. S. Government securities (at cost)	9,364,882	—	1,165,717
	$12,266,594	$303,107	$1,166,672
Balance December 31, 1953—			
Classified in accompanying balance sheet as:			
Special funds	$10,396,803	$ —	$ —
Current assets	303,107	303,107	—
Reduction of long-term debt	1,566,684	—	1,166,672
	$12,266,594	$303,107	$1,166,672

( ) Denotes deduction.

Y

pment Trust Certificate Funds			
ent of Principal		Purchase of Equipment	
Series 2 Refunding	Series 3 Refunding	Series 4	Series 5
$ —	$ —	$ —	$ —
266,668	133,336	—	—
$266,668	$133,336	$ —	$ —
$ —	$ —	$ 7,950,000	$2,350,000
3,812	1,901	112,449	—
(3,812)	(1,901)	(112,449)	—
800,004	400,004	—	—
—	—	1,590,000	470,000
—	—	1,862,000	238,000
$800,004	$400,004	$11,402,000	$3,058,000
$ —	$ —	$ 3,825,197	$ 238,000
800,000	400,000	—	—
$800,000	$400,000	$ 3,825,197	$ 238,000
$ 138	$ 579	$ 2,587,133	$ 9,800
266,534	132,761	4,989,670	2,810,200
$266,672	$133,340	$ 7,576,803	$2,820,000
$ —	$ —	$ 7,576,803	$2,820,000
—	—	—	—
266,672	133,340	—	—
$266,672	$133,340	$ 7,576,803	$2,820,000

Mileage Owned, Leased and Operated

December 31, 1953

	Surface System	Rapid Transit System	Combined System
Track Owned or Leased:			
Owned	593.45	194.99	788.44
Leased	.34	31.47	31.81
Total Track Owned or Leased	593.79	226.46	820.25
Revenue and Non-Revenue Track or Route Mileage:			
Revenue Miles in Operation—			
Revenue Track in Operation	275.84	176.55	452.39
Trolley bus lines (Single way miles) in Operation	246.75	—	246.75
Motor Bus lines (Single way miles) in Operation	1,333.96	—	1,333.96
Total Revenue Miles in Operation	1,856.55	176.55	2,033.10
Non-Revenue Miles —			
Unused Track	239.38 (1)	4.70 (3)	244.08
Service Track	78.57 (2)	45.21 (4)	123.78
Connecting trolley bus lines and trolley bus storage	13.74	—	13.74
Total Non-Revenue Miles	331.69	49.91	381.60
TOTAL	2,188.24	226.46	2,414.70

NOTES:

(1) This mileage covers tracks located in public ways and streets which are isolated, tracks from which electric service has been disconnected, and tracks not used.

(2) This mileage covers tracks located in yards and carhouses; also 40.00 miles in public ways and streets used for pull-in, pull-out, work cars, and in case of emergencies.

(3) This mileage covers tracks to be removed from the Douglas Park Branch and the Humboldt Park Branch.

(4) Includes 13.11 miles Main Line Storage Track, and 3.28 miles Freight Gauntlet Track, Evanston Branch. Balance consists of tracks in yards and carhouses.

Revenue Equipment Owned

December 31, 1953

	On Hand Dec. 31, 1952	January 1, 1953 to December 31, 1953 Acquired	Retired	On Hand Dec. 31, 1953
Surface System:				
Streetcars—				
P. C. C. Cars	682	—	152	530
Other Closed Platform	296	—	55	241
Open Platform	209	—	50	159
Total Streetcars	1,187	—	257	930
Buses—				
Trolley Buses	679	—	4	675
Gas—Mechanical	327*	—	8	319
Gas—Hydraulic	532*	—	1	531
Diesel—Hydraulic	721	—	—	721
Propane—Hydraulic	551	124	—	675
Total Buses	2,810	124	13	2,921
Total Surface Equipment	3,997	124	270	3,851
Rapid Transit System:				
Elevated Cars—wood and steel	767	—	114	653
Elevated—Subway cars				
Steel, Conventional type	455	—	1	454
Metal, Articulated	4	—	—	4
Metal, P. C. C.	200	—	—	200
Total Rapid Transit Cars	1,426	—	115	1,311
Total Revenue Equipment Owned	5,423	124	385	5,162

* Forty-three Buses reclassified hydraulic, formerly mechanical.

Statement of Transportation Property and Organization Expense

Showing Balance at December 31, 1952, Plus Additions and Less Retirements During Year 1953 and Balance at December 31, 1953

	Balance Dec. 31, 1952	Plus Gross Additions	Less Retirements	Balance Dec. 31, 1953
Land	$ 11,197,785.79	$ 3,442,009.26	$ 2,872.68	$ 14,636,922.37
Track and Paving	18,749.521.60	2,359,047.25	1,854,661.24	19,253,907.61
Machinery and Tools	2,882,110.89	237,844.35	28,931.32	3,091,023.92
Electric Line Equipment	9,951,587.31	366,231.96	370,233.13	9,947,586.14
Buildings	19,614,114.51	1,192,131.00	216,066.77	20,590,178.74
Cars	27,674,419.30	2,449,569.90	3,215,669.48	26,908,319.72
Buses	45,036,335.62	2,027,808.28	25,353.84	47,038,790.06
Work Trucks, Autos and Service Equipment	1,293,828.52	97,903.28	20,317.31	1,371,414.49
Furniture	842,705.17	190,747.52	75,892.00	957,560.69
Signals and Interlocking	448,632.12	50,134.80	14,029.54	484,737.38
Crossings, Fences and Signs	212,356.68	207,171.23	8,875.92	410,651.99
Elevated Structures	5,886,115.77	1,199,602.30	144,050.77	6,941,667.30
Substation Equipment	1,680,139.88	93,591.61	—	1,773,731.49
Telephones and Communications	252,002.83	134,824.55	5,844.61	380,982.77
Engineering	46,622.63	—	—	46,622.63
General and Miscellaneous	1,894,912.00	369,753.74	64,681.98	2,199,983.76
Total Transportation Property	$147,663,190.62	$14,418,371.03	$6,047,480.59	$156,034,081.06
Organization Expense	85,316.39	—	—	85,316.39
Total	$147,748,507.01	$14,418,371.03	$6,047,480.59	$156,119,397.45

Rates of Fare

Fares Applicable to:	In Effect at December 31, 1953
Surface System	
Adult—General, cash	20c
token	5 for 85c
Children and School	10c
Shuttle Buses (a) Adult	10c
Rapid Transit System	
Adult	
Middle Zone (b), cash	20c
token	5 for 90c
North or West Zone (c), cash	20c
token	5 for 85c
Two zone through	25c
Children and School	
Middle Zone (b)	10c
North or West Zone (c)	10c

(a) Applies to five routes with adult non-transfer rides at 10¢ and with transfer rides, child and school child rides at general fares.

(b) Middle zone includes all rapid transit train service in the city of Chicago and between Chicago and Oak Park, Forest Park and Cicero, and the Douglas Park motor bus extension in Cicero and Berwyn.

(c) North zone includes all rapid transit service from Howard Street north, and between Evanston and Wilmette, and the Skokie motor bus extension in Skokie.

West zone includes all rapid transit motor bus service from DesPlaines Avenue west, and between Forest Park, Maywood, Bellwood and Westchester.

For persons paying 20¢ cash fare on surface system transfers may be made to rapid transit system without additional charge.

For persons paying 5 for 85¢ token fare on surface system transfers may be made to rapid transit system on payment of 1¢.

For persons paying general fare on rapid transit system transfers may be made to surface system without additional charge.

Children's fares apply to passengers (1) under 12 years of age; (2) school children 12 years of age or over presenting proper identification card; and (3) children under 7 years of age when not accompanied by an adult fare paying passenger. Children under 7 years of age when accompanied by an adult fare paying passenger are carried free. Eligible passengers after paying children's fare, may transfer without additional charge. School fares are good at any time during the school year.

Operating Statistics

For the Year Ended December 31, 1953

	Surface System	Rapid Transit System	Combined System
Passenger and Traffic Statistics:			
Revenue Passengers	574,821,563	140,657,831	715,479,394
Revenue Vehicle Miles—			
Cars	28,273,294	43,140,398	71,413,692
Trolley Buses	19,027,656	—	19,027,656
Motor Buses	75,062,240	—	75,062,240
Total Revenue Vehicle Miles	122,363,190	43,140,398	165,503,588
Revenue per Vehicle Mile	83.11c	51.95c	74.99c
Revenue Vehicle Hours—			
Cars	3,258,358	—	3,258,358
Trolley Buses	2,454,583	—	2,454,583
Motor Buses	8,796,286	—	8,796,286
Total Revenue Vehicle Hours	14,509,227	—	14,509,227
Power Statistics:			
Direct Current—Kilowatt hours	253,946,245	199,152,598	453,098,843
Average Cost per Kilowatt hour	—	—	1.55c
Fuel Statistics:			
Gasoline—			
Gallons	10,366,520	—	10,366,520
Average Miles per Gallon	2.86	—	2.86
Diesel Fuel—			
Gallons	6,044,020	—	6,044,020
Average Miles per Gallon	3.94	—	3.94
Propane Fuel—			
Gallons	8,705,310	—	8,705,310
Average Miles per Gallon	2.48	—	2.48

Historical Development–1

Major Administrative and Financial Highlights

April 12, 1945

Metropolitan Transit Authority Act, enacted by the General Assembly of the State of Illinois, was approved.

June 4, 1945

The Act was adopted by voters of City of Chicago and of Village of Elmwood Park; and the City of Chicago ordinance, dated April 23, 1945, granting a fifty year exclusive franchise to Chicago Transit Authority was approved at referendum election.

June 28, 1945

Chicago Transit Board was organized for the transaction of business.

July 24, 1945

The Governor of the State of Illinois approved "Park Acts" giving the Authority operating rights in Chicago Park District.

September 30, 1947

$105,000,000 Series of 1947 revenue bonds were sold by the Authority and payment made of $75,000,000 for Chicago Surface Lines properties and $12,162,500 for Chicago Rapid Transit Company properties. On the next day, October 1, 1947, possession was taken of the Surface Lines and Rapid Transit properties and operation was begun by Chicago Transit Authority as a unified system.

June 27, 1950

Chicago Transit Board accepted an offer to purchase equipment trust certificates. This marked the beginning of revitalizing the modernization program.

September 30, 1952

$23,000,000 Series of 1952 revenue bonds were sold by the Authority and net payment of $16,476,786 made for Chicago Motor Coach Company properties. On the next day, October 1, 1952, operation of Motor Coach properties began as the boulevard system of Chicago Transit Authority.

October 1, 1953

Acquisition of Chicago, Milwaukee, St. Paul and Pacific north shore suburban route completed at price of $7,000,000, in Series of 1953 revenue bonds.

January 7, 1954

Chicago Transit Board authorized acquisition of fixed transportation facilities of Chicago, Aurora and Elgin Railway Company between Laramie Avenue in Chicago and Des Plaines Avenue in Forest Park.

Historical Development—2

Basic Fare for Adult Rides Within the City of Chicago

Effective Date	Surface Routes	Rapid Transit
October 1, 1947	10c	12c
May 11, 1948	11c	13c
June 20, 1948	13c	15c
October 15, 1949	15c	17c
August 1, 1951	17c	18c
June 1, 1952	20c or 5/85c	20c or 5/90c
October 1, 1952	*20c or 5/85c	20c or 5/90c

* Fare rate on Surface Routes applied to boulevard system which was acquired on October 1, 1952.

NOTE: Not shown above are children and school rates, suburban rates or various special fares effective from time to time.

New Equipment Deliveries

Year	P.C.C. Streetcars	Trolley Buses	Motor Buses	Rapid Transit Cars	Cumulative Total
1945 to September 30, 1947	204	—	434	2	640
Oct. 1 to Dec. 31, 1947	98	—	94	—	832
1948	298	210	372	2	1714
1949	—	—	—	—	1714
1950	—	—	31	100	1845
1951	—	190	520	100	2655
1952	—	159	481*	—	3295
1953	(152)	—	124	—	3267
Total	448	559	2056	204	3267

* The 481 units represent equipment delivered new since January 1, 1945, which were acquired with the boulevard system.

( ) Represents streetcars sold to St. Louis Car Company for conversion to rapid transit cars.

Surface System

Miles of Single Way Revenue Operation	Streetcar	Motor Bus	Trolley Bus
January 31, 1945	1023.81	168.73	48.91
December 31, 1947	902.17	456.15	45.65
December 31, 1948	739.18	602.97	89.28
December 31, 1949	668.98	645.79	129.96
December 31, 1950	669.29	652.29	130.17
December 31, 1951	413.69	884.39	195.59
December 31, 1952	357.55	1318.43*	224.63
December 31, 1953	275.84	1333.96	246.75

* Boulevard system, approximately 375 miles added in 1952.

Historical Development—3

Wage Rates for Surface System

Bus Operators Who Have Reached Maximum Rate:

Effective Date	Wage Rate Per Hour	Cost of Living Allowance Per Hour	Total Pay Per Hour
**October 1, 1947	$1.42	—	$1.42
June 1, 1948	1.53	—	1.53
December 1, 1948	1.55	—	1.55
June 1, 1949	1.60	—	1.60
December 1, 1949	1.65	—	1.65
June 1, 1950	1.70	—	1.70
August 1, 1951	1.77	—	1.77
*October, 1951	—	$.01	1.78
January 1, 1952	1.80	—	1.81
*January, 1952	—	.04	1.84
*April, 1952	—	.02	1.82
June 1, 1952	1.84	—	1.86
*July, 1952	—	.05	1.89
*October, 1952	—	.07	1.91
*January, 1953	—	.06	1.90
*April, 1953	—	.04	1.88
June 1, 1953	1.92	.00	1.92

** Rate previously placed in effect by predecessor company.

* Effective beginning with first pay period in month.

NOTE: Rates for other types of work vary from the above, but are similar in general trend.

Number of C.T.A. Employes:

December 31, 1947	22,407
December 31, 1948	21,886
December 31, 1949	20,873
December 31, 1950	19,597
December 31, 1951	17,867
December 31, 1952	17,509*
December 31, 1953	16,845

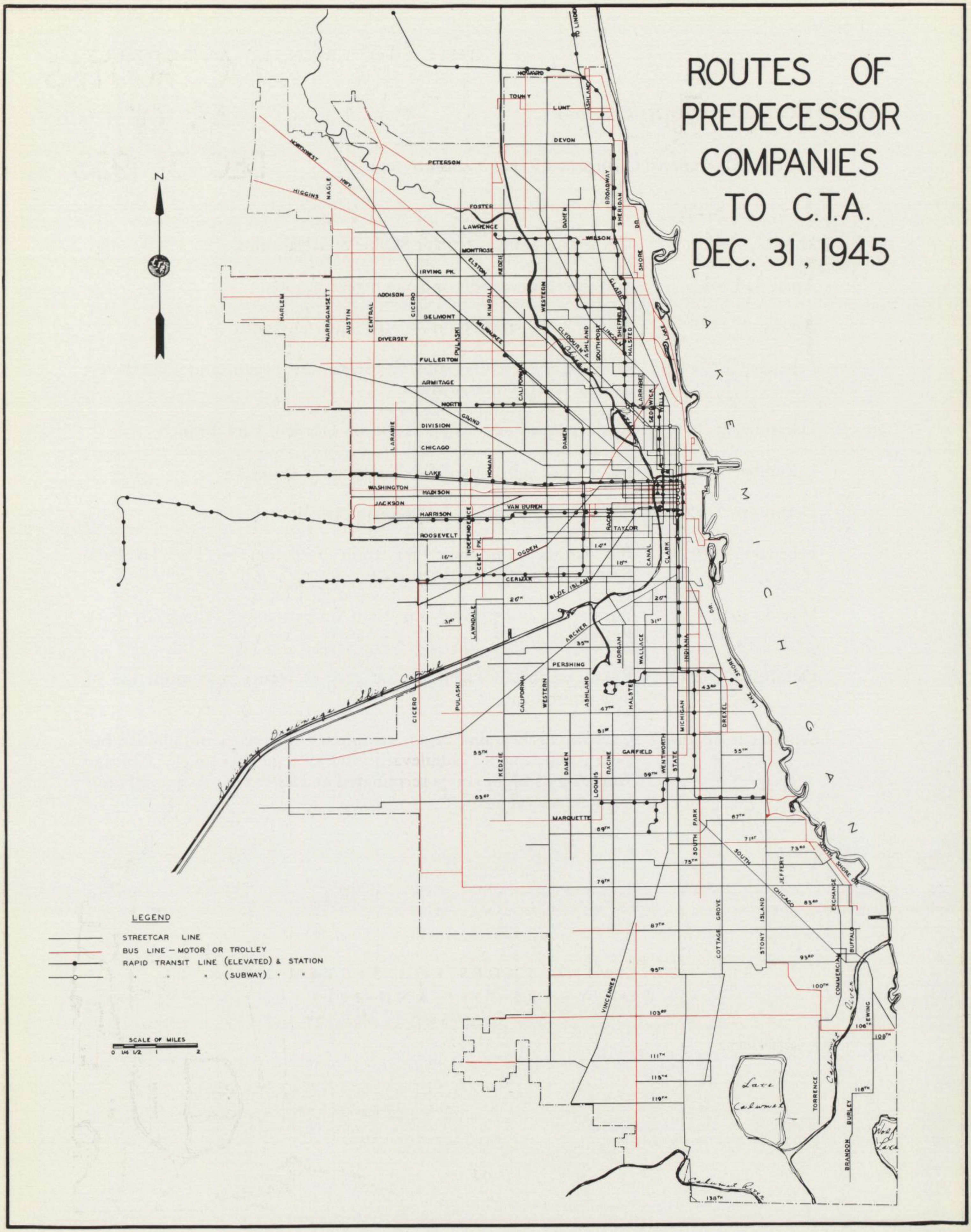
* Over 1200 employes from boulevard system were added in 1952.

Historical Development—4

Principal Operational Changes on Rapid Transit System

Date of Change	
May 27, 1948	Bus service substituted for Skokie Shuttle trains.
April 4, 1948	All express operation on Lake Street Branch.
August 1, 1949	All express operation on North-South Divisions.
February 25, 1951	Milwaukee Avenue subway operation began and Northwest Branch service discontinued.
December 9, 1951	Rush hour all express operation on Garfield Park Branch
December 9, 1951	Bus service substituted for Westchester trains.
December 9, 1951	All express operation on Douglas Park Branch.
February 3, 1952	Bus service substituted for train operation on Douglas Park Branch west of 54th Avenue.
May 5, 1952	Bus service substituted for train operation on Humboldt Park Branch.
October 12, 1952	Reassignment of rapid transit cars to secure maximum use of new equipment.
September 20, 1953	Garfield Park trains began temporary operation on surface between Sacramento Boulevard and Racine Avenue. Chicago Aurora and Elgin trains terminated at Des Plaines Avenue, Forest Park, terminal loop.

SEE FOLLOWING PAGES FOR SYSTEM MAPS
FOR YEARS 1945 AND 1953

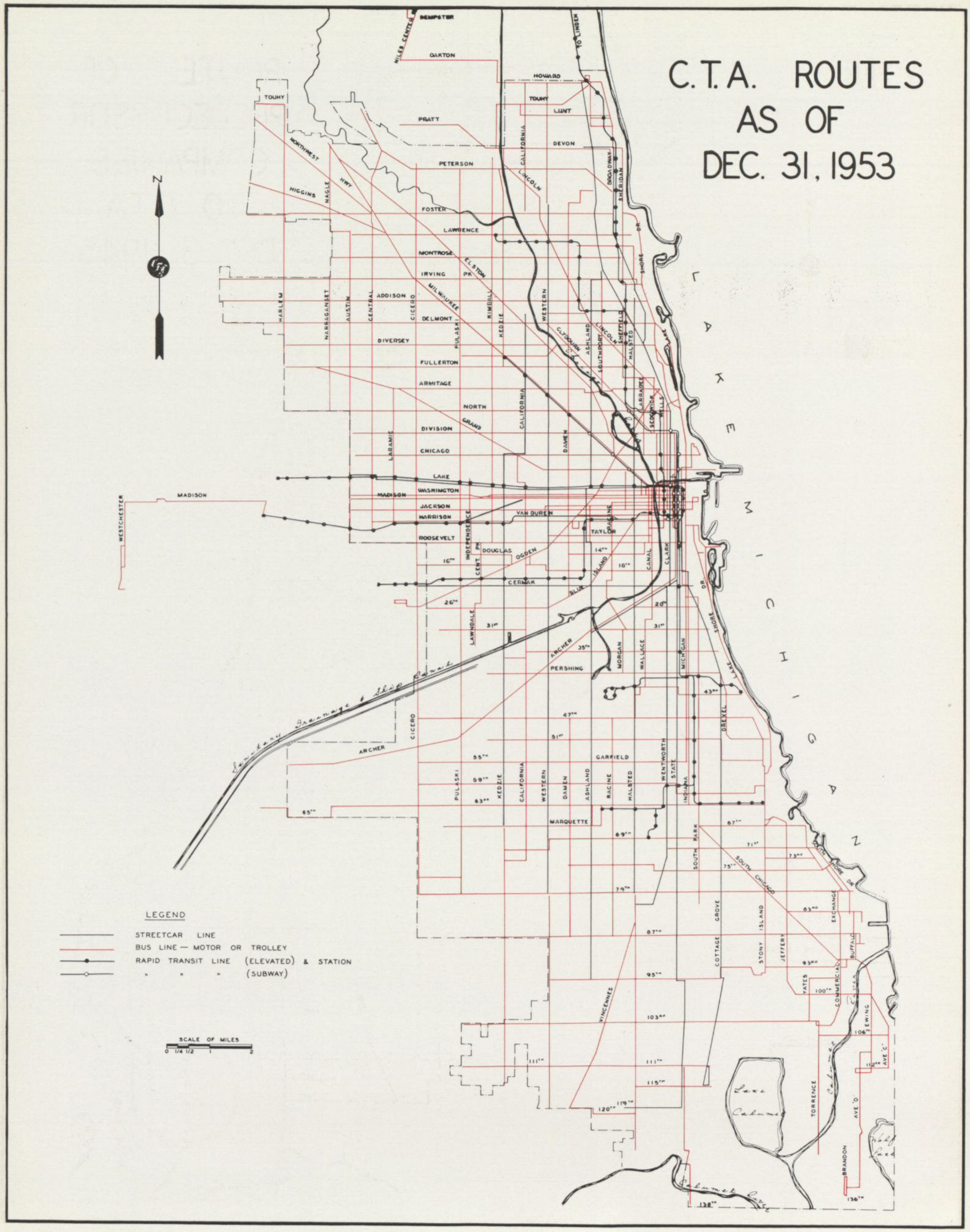


ROUTES OF PREDECESSOR COMPANIES TO C.T.A. DEC. 31, 1945

LEGEND

- STREETCAR LINE
- BUS LINE — MOTOR OR TROLLEY
- RAPID TRANSIT LINE (ELEVATED) & STATION
- " " " (SUBWAY) " "

N
SCALE OF MILES
0 1/4 1/2 1 2
LAKE MICHIGAN
TO LINDEN
HOWARD
TOUHY
LUNT
DEVON
PETERSON
NORTHWEST HWY
HIGGINS
NAGLE
FOSTER
LAWRENCE
WILSON
MONTROSE
IRVING PK.
ADDISON
BELMONT
DIVERSEY
FULLERTON
ARMITAGE
NORTH
GRAND
DIVISION
CHICAGO
LAKE
WASHINGTON
MADISON
JACKSON
HARRISON
VAN BUREN
ROOSEVELT
TAYLOR
14TH
16TH
18TH
OGDEN
CERMAK
BLUE ISLAND
26TH
31ST
ARCHER
35TH
PERSHING
43RD
47TH
51ST
GARFIELD
55TH
59TH
63RD
67TH
69TH
71ST
73RD
75TH
79TH
83RD
87TH
93RD
95TH
103RD
106TH
109TH
111TH
115TH
118TH
119TH
138TH
HARLEM
NARRAGANSETT
AUSTIN
CENTRAL
LARAMIE
CICERO
PULASKI
ELSTON
MILWAUKEE
KIMBALL
KEDZIE
CALIFORNIA
WESTERN
DAMEN
CLYBOURN
ASHLAND
SOUTHPORT
LINCOLN
SHEFFIELD
HALSTED
LARRABEE
SEDGWICK
WELLS
CLARK
BROADWAY
SHERIDAN
LAKE SHORE DR.
HOMAN
INDEPENDENCE
CENT. PK.
LAWNDALE
RACINE
CANAL
MORGAN
WALLACE
STATE
INDIANA
MICHIGAN
WENTWORTH
LOOMIS
MARQUETTE
DREXEL
SOUTH PARK
SOUTH CHICAGO
SOUTH SHORE DR.
JEFFERY
EXCHANGE
COTTAGE GROVE
STONY ISLAND
VINCENNES
COMMERCIAL
BUFFALO
EWING
TORRENCE
BURLEY
BRANDON
Sanitary Drainage & Ship Canal
Lake Calumet
Calumet River
Wolf Lake

C.T.A. ROUTES
AS OF
DEC. 31, 1953
LEGEND
STREETCAR LINE
BUS LINE — MOTOR OR TROLLEY
RAPID TRANSIT LINE (ELEVATED) & STATION
" " " (SUBWAY)
SCALE OF MILES
0 1/4 1/2 1 2
N
LAKE MICHIGAN
DEMPSTER
NILES CENTER
TO LINDEN
OAKTON
HOWARD
TOUHY
LUNT
PRATT
DEVON
PETERSON
NORTHWEST HWY
HIGGINS
NAGLE
FOSTER
LAWRENCE
MONTROSE
ELSTON
IRVING PK
ADDISON
MILWAUKEE
BELMONT
DIVERSEY
FULLERTON
ARMITAGE
NORTH
GRAND
DIVISION
CHICAGO
LAKE
WASHINGTON
MADISON
JACKSON
HARRISON
VAN BUREN
ROOSEVELT
TAYLOR
DOUGLAS
OGDEN
16TH
14TH
18TH
CERMAK
26TH
31ST
35TH
ARCHER
PERSHING
43RD
47TH
51ST
55TH
59TH
63RD
65TH
GARFIELD
MARQUETTE
67TH
69TH
71ST
73RD
75TH
79TH
83RD
87TH
93RD
95TH
100TH
103RD
106TH
111TH
112TH
115TH
119TH
120TH
130TH
136TH
WESTCHESTER
HARLEM
NARRAGANSETT
AUSTIN
CENTRAL
CICERO
PULASKI
KIMBALL
KEDZIE
CALIFORNIA
LINCOLN
WESTERN
CLYBOURN
ASHLAND
SOUTHPORT
SHEFFIELD
HALSTED
BROADWAY
SHERIDAN
SHORE DR.
LAKE
LARRABEE
SEDGWICK
WELLS
LARAMIE
INDEPENDENCE
CENT. PK
LAWNDALE
DAMEN
RACINE
BLUE ISLAND
CANAL
CLARK
MORGAN
WALLACE
MICHIGAN
DREXEL
WENTWORTH
STATE
INDIANA
SOUTH PARK
SOUTH CHICAGO
COTTAGE GROVE
STONY ISLAND
JEFFERY
EXCHANGE
BUFFALO
COMMERCIAL
YATES
EWING
AVE 'C'
AVE 'O'
TORRENCE
BRANDON
VINCENNES
Sanitary Drainage & Ship Canal
Lake Calumet
Calumet River
Wolf Lake